

EXECUTIVE

Date: Tuesday 12 December 2017
Time: 5.30 pm
Venue: Rennes Room - Civic Centre

Members are invited to attend the above meeting to consider the items of business.

If you have an enquiry regarding any items on this agenda, please contact Sarah Selway, Democratic Services Manager (Committees) on 01392 265275.

Entry to the Civic Centre can be gained through the Customer Service Centre, Paris Street.

Membership -

Councillors Edwards (Chair), Bialyk, Brimble, Denham, Gottschalk, Leadbetter, Morse, Packham, Pearson and Sutton

Agenda

Part I: Items suggested for discussion with the press and public present

1 Apologies

To receive apologies for absence from Committee members.

2 Declarations of Interest

Councillors are reminded of the need to declare any disclosable pecuniary interests that relate to business on the agenda and which have not already been included in the register of interests, before any discussion takes place on the item. Unless the interest is sensitive, you must also disclose the nature of the interest. In accordance with the Council's Code of Conduct, you must then leave the room and must not participate in any further discussion of the item. Councillors requiring clarification should seek the advice of the Monitoring Officer prior to the day of the meeting.

3 Local Government (Access to Information) Act 1985 - Exclusion of Press and Public

RESOLVED that, under Section 100A(4) of the Local Government Act 1972, the press and public be excluded from the meeting during consideration of items 16, 17, 18 and 19 on the grounds that they involve the likely disclosure of exempt information as defined in paragraphs 1, 2, 3 and 4 of Part I, Schedule 12A of the Act.

4 Members Allowances 2018/21

To consider the report of Derek Phillips, Chair of the Independent Remuneration Panel. (Pages 5 - 14)

5 Major Grants Panel Minutes - 30 November 2017

To receive the minutes of the Major Grants Panel on 30 November 2017. (Pages 15 - 16)

6 Joint Committee for the Heart of the South West

To consider the report of the Chief Executive & Growth Director. (Pages 17 - 42)

7 Adoption of a new Animal Licensing Policy

To consider the report of the Environmental Health and Licensing Manager. (Pages 43 - 84)
Licensing Committee considered the report at its meeting on 31 October 2017 and its comments will be reported.

8 Capital Monitoring Statement to 30 September 2017

To consider the report of the Chief Finance Officer. (Pages 85 - 98)
Corporate Services Scrutiny Committee considered the report at its meeting on 23 November 2017 and its comments will be reported.

9 Overview of Revenue Budget 2017/18

To consider the report of the Chief Finance Officer. (Pages 99 - 110)
Corporate Services Scrutiny Committee considered the report at its meeting on 23 November 2017 and its comments will be reported.

10 Treasury Management - 2017/18 Half Yearly Update

To consider the report of the Chief Finance Officer. (Pages 111 - 126)
Corporate Services Scrutiny Committee considered the report at its meeting on 23 November 2017 and its comments will be reported.

11 **Discretionary Rates relief**

To consider the report of the Chief Finance Officer.

(Pages
127 - 152)

Corporate Services Scrutiny Committee considered the report at its meeting on 23 November 2017 and its comments will be reported.

12 **Budget Strategy 2018/19 and Medium Term Financial Plan**

To consider the report of the Chief Finance Officer.

(Pages
153 - 166)

13 **Scheme of Delegation**

To consider the report of the Corporate Manager Democratic and Civic Support.

(Pages
167 - 232)

14 **Freedom of the City - Emergency Services**

To consider the report of the Corporate Manager and Democratic Support.

(Pages
233 - 238)

15 **Cowick Barton Tennis Court Refurbishment**

To consider the report of the Director (DB).

(Pages
239 - 242)

Part II: Items suggested for discussion with the press and public excluded

No representations have been received in respect of the following items in accordance with the Local Authorities (Executive Arrangements) (Meetings and Access to Information) (England) Regulations 2012.

16 **St Nicholas Priory - Repair Update and Asset Transfer**

To consider the report of the City Surveyor.

(Pages
243 - 250)

Corporate Services Scrutiny Committee considered the report at its meeting on 23 November 2017 and its comments will be reported.

17 **Extension of Assertive Homeless Outreach Service**

To consider the report of the Director (BA).

(Pages
251 - 256)

18 **European Regional Development Funded Solar PV and Battery Storage Project**

To consider the report of the City Surveyor.

(Pages
257 - 260)

19 RAMM's Conservation Team Restructure

To consider the report of the Museums Manager & Cultural Lead.

(Pages
261 - 278)

Date of Next Meeting

The next scheduled meeting of the Executive will be held on **Tuesday 9 January 2018** at 5.30 pm in the Civic Centre.

A statement of the executive decisions taken at this meeting will be produced and published on the Council website as soon as reasonably practicable.

Find out more about Exeter City Council services by looking at our web site <http://www.exeter.gov.uk>. This will give you the dates of all future Committee meetings and tell you how you can ask a question at a Scrutiny Committee meeting. Alternatively, contact the Democratic Services Officer (Committees) on (01392) 265115 for further information.

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REPORT TO EXECUTIVE

Date of meeting 12 December 2017

Report of the Independent Remuneration Panel on Members' Allowances

Title:- MEMBERS' ALLOWANCES 2018/19 – 2020/21

Is this a key decision

No

Is this an Executive or Council function?

Council

1 What is the report about?

To consider the level of Members' Allowances for the three year period 2018/19 – 2020/21.

2 Recommendation

That the following recommendations be made to Council in respect of the Exeter City Council Members' Allowances for the three year period 2018/19 – 2020/21.

That:-

- 1) the basic structure and principles of the current Members' Allowances scheme be retained for 2018/19;
- 2) the principle be set that Special Responsibility Allowances be paid to no more than 50% of the overall number of councillors;
- 3) the principle that any Member qualifying for more than one Special Responsibility Allowance is paid the higher allowance only, should be retained, including, and if appropriate, for the Chair of the HRA Management Board (as per recommendation (11) below) if they are an elected Member;
- 4) the Councillors' Basic and Special Responsibility Allowances including the Lord Mayor and Deputy Lord Mayor's Expenses Allowances, should be linked to the average allowance per resident, in the agreed comparator group of authorities, with this figure being set at £1.87 per resident for the three year period of 2018/19 – 2020/21;
- 5) that as a consequence of (4) above, the basic allowance for 2018/19 be set at £5,400 per annum (an increase of £350), with this sum being increased by a further £350 per annum in the 2019/20 and 2020/21 financial years (to £5,750 and £6,100 respectively);
- 6) that an additional Special Responsibility Allowance be paid to each Member Champion, with this being set at one quarter of a basic allowance (£1,350 in 2018/19), with such an allowance only payable during the life span of the particular task, and would be pro-rata for part-yearly terms;

- 7) Travel and Subsistence allowances available for staff continue to apply to Exeter City Councillors, where appropriate;
- 8) the current Dependants' Carers' Allowance scheme be maintained, with the continuation of the level of allowance matching the Living Wage of £8.44 per hour or part of (retaining the uplift of the standard rate of income tax to £10.13);
- 9) the sum of £50 paid to the Independent Persons affiliated to the Audit and Governance Committee for up to four hours work, and £100 for four hours and over, payable to each of the two Independent Persons (up to a maximum of £500 per person in any one year) be retained;
- 10) in respect of the Performance Scrutiny Panel, a sum equivalent to £10 per meeting be paid to each member (this to be funded from the Housing Revenue Account); and
- 11) in respect of the proposed HRA Management Board,
 - (a) the principle of an allowance being paid to each Independent Member of the Board be agreed;
 - (b) the principle of a Special Responsibility Allowance for the Chair of the Board be agreed;
 - (c) the exact amounts for these allowances be considered and agreed by the Council's Independent Remuneration Panel on Members' Allowances, once the position of the Management Board within the Council's governance arrangements is agreed;
 - (d) any payments made as a consequence of (a) and (b) above be funded from the Housing Revenue Account;

3 Reasons for the recommendations

- 3.1 The Local Authorities (Members' Allowances) (England) Regulations 2001 and 2003 require Councils to establish and maintain an Independent Remuneration Panel to review and provide advice to the local authority on its scheme of Members' Allowances and in particular to recommend the allowance to be paid to Members.

4 What are the resource implications including non financial resources

- 4.1 The budget for the scheme of allowances in 2017/18 totals £319,440 and this has been included in the estimates for 2018/19.
- 4.2 If the suggested increase above is approved, this equates to a £350 increase in the level of basic allowance for 2018/19.
- 4.3 This, together with the proposed provision of a Special Responsibility Allowance for Member Champions, would mean the projected maximum cost of the proposed Allowances scheme for 2018/19 being £346,881 which represents an increase of £27,441.
- 4.4 This would further increase in each of the two following financial years to £370,816 and £396,402 respectively.

5 Section 151 Officer Comments

- 5.1 The amounts above represent an increase over and above the amount forecast in the medium term financial plan. Therefore, the Council will need to identify savings elsewhere in the budget to accommodate the proposal. If approved, the funds will be added to the budget and taken into account in the medium term financial plan.

6 What are the legal aspects?

- 6.1 The Local Authorities (Members' Allowances) (England) Regulations 2001 and 2003 require Councils to establish and maintain an Independent Remuneration Panel to provide the local authority with advice on its scheme of Members' Allowances and recommend the amounts to be paid.

7 Monitoring Officer's comments

- 7.1 There are no issues for the Deputy Monitoring Officer.

8 Report details

- 8.1 The City Council has an established Independent Remuneration Panel, and remuneration scheme, which provides for a reasonable recompense for the time, commitment and duties involved in being a Councillor. This allows for an element of public service and also reflects the level of time which the average Councillor spends on casework, local community work and other Council work.
- 8.2 This Council's Independent Remuneration Panel, comprising of four representatives drawn from the business and voluntary sector, met on two occasions in the autumn 2017. At one of these meetings, it met with a number of Councillors, who held a cross section of positions, and also considered the results of a survey undertaken amongst Councillors.
- 8.3 The relevant legislation allows for a Scheme of Members' Allowances to make provision for an annual adjustment in the level of allowances by reference to an index.
- 8.4 The Panel therefore considered a comparator of 9 local authorities (including Exeter) which were either of a similar nature to Exeter, or were neighbouring authorities with whom the Council undertakes some partnership working.
- 8.5 Within these comparisons, the Panel made particular reference to the members' allowance payable per resident, which, before the proposed increase is taken into account, was calculated at £1.55 per Exeter resident, compared to an average of £1.87 for the 9 authorities in the comparator group. More details of the comparators used are set out in Appendix A to this report. This comparator was felt to be an appropriate method to be used for the calculation of a suitable basic allowance.
- 8.6 In real terms that equated to a 20.6% difference between the average amount and that currently paid by the City Council. The Panel felt that this was inappropriate and showed that the small (or no) increases in recent years in Members' Allowances, had led to the City Council's allowance falling well behind those of similar or neighbouring authorities.

- 8.7 The Panel felt that this position should be rectified, but recognised that an immediate increase of 20.6% may appear unacceptable in one year so has suggested that this increase be spread evenly over the next three financial years. This would equate to an increase of £350 per member per annum in each of the next three years.
- 8.8 This would ultimately bring the basic allowance up to £6,100 per annum by the 2020/21 financial year – a sum which the Panel felt was appropriate when considering the level of time commitment given by Members in a vibrant and forward thinking City.
- 8.9 The Panel also gave careful consideration to the current multipliers applied to the Basic Allowance for those positions where a Special Responsibility Allowance (SRA) was payable. Two particular issues were brought to its attention:-
- the relative difference in workload when comparing Portfolio Holders to Chairs of the three Scrutiny Committees;
 - the new positions of Member Champions and whether an SRA should be payable for these positions.
- 8.10 Whilst the Panel recognised that the role of Portfolio Holder was one which had grown considerably over the past few years, it felt that the multiplying factor applicable to that level of SRA payable to holders of those positions, was appropriate, and should therefore remain.
- 8.11 It also carefully considered the position of the three Scrutiny Chairs and their relative workloads in comparison to that of Portfolio Holders and other committee chairs. The Panel was initially mindful, on this basis alone, to consider a slight reduction in the SRA payable to Scrutiny Chairs.
- 8.12 However, it recognised that by doing so, it could be considered to be devaluing the role of Scrutiny in the authority. This was felt to be an inappropriate step and would undermine the important role that Scrutiny plays within the authority, and in particular in keeping the Executive to account. It therefore decided to keep the multiplier for the SRA the same as previously.
- 8.13 The Panel also considered the position of Member Champions – a recently new role which supported (primarily) Executive members with specific topics on very much a task and finish basis. To this end, it felt that recognition should be given for the additional workload attributable to the role of Member Champion and considered that an SRA of 0.25 of the Basic Allowance would be applicable. Such an allowance would only be payable during the life span of the particular task, and would be pro-rata for part-yearly terms.
- 8.14 This would currently add an additional four SRAs to the Members' Allowances Scheme.
- 8.15 Bearing the above in mind, the Panel was also mindful that by recommending the payment of an SRA for the current four Member Champions, it would potentially mean that 22 of the 39 councillors (or 56%) would be receiving some form of SRA.

This it felt was inappropriate, and agreed the principle that no more than 50% of the councillors should receive an SRA.

- 8.15 Having said this, it was recognised that the Lord Mayor and Deputy Lord Mayor's allowances were governed by different legislation to those for all other allowances, and that the Council had long maintained the principle that no Councillor should be able to receive more than one SRA. When these factors were taken into account, this reduced the overall number of Councillors currently receiving an SRA to 18 (or 46%).
- 8.16 The Panel was also asked to give a view on the appropriateness of offering an allowance in respect of membership to two other bodies, these being the Performance Scrutiny Panel and the HRA Management Board – both of which would fall under the Housing Revenue Account.
- 8.17 The Performance Scrutiny Panel comprises of a number of Council tenants who are asked to meet to discuss matters of interest and/or concern for tenants, and to offer ways to improve the service. Whilst the Panel recognised that this is done on a voluntary basis, it heard advice from officers that it was felt appropriate for a small recognition to be offered when encouraging tenants to put themselves forward to serve on this. It was felt that £10 per meeting would be appropriate. This would be payable in High Street vouchers so as to ensure that any payments received would not impact on any tenants' benefit eligibility.
- 8.18 The Council is currently considering the possibility of setting up an HRA Management Board. Membership of this would hopefully include leading housing professionals who would critically look at the performance of the Housing Revenue Account and all its functions, and again offer areas for improvement.
- 8.19 The Panel noted that internal discussions within the Council were currently on-going as to where in the Council's governance arrangements this body would sit (i.e. reporting direct to the Executive or via a Scrutiny Committee). As such, it was difficult to gauge the level of responsibility this body may have, and consequentially an appropriate level at which to set any allowances for its members, and its Chair.
- 8.20 It was therefore felt appropriate to agree that the principle of a payment should be set now, and that once the governance arrangements of the HRA Management Board was settled, the Panel be asked to consider the appropriate levels of remuneration and recommend the Council accordingly. It was noted that any payments would be met by the Housing Revenue Account. The Panel further confirmed that if the Chair of this HRA Management Board was an elected Councillor, who was already in receipt of a Special Responsibility Allowance, then only the higher of their two SRA's would be payable.
- 8.21 In addition, the Panel considered the matter of performance measurement, particularly in relation to the levels of responsibility associated with the various roles held by Members.
- 8.22 As such, the Panel welcomed Exeter City Council's commitment to the principles of the Member Charter, as demonstrated in its achievement of Member Charter Plus award. As part of the commitment to member development, the Panel is aware that Exeter City Council encourages the use of Personal Development Plans. As part of

these discussions around PIPs, the Panel encourages Leaders within the City Council, to be particularly mindful of the need to ensure that Members in respect of SRAs have identified any support they require to undertake their responsibilities to a high standard.

- 8.23 Finally, the Panel recognises that the work of City Councillors is constantly changing and vastly different to that of a few years ago. The level of decisions being asked of them, together with the time commitments they need to make, are of a demanding nature and often need a detailed knowledge of the issues before them. The Panel is of the view that notwithstanding the recommendations it is putting forward in this report, a detailed review of the way in which councillors are suitably recompensed for the skills required of them, whilst also recognising the public service element of their role, should be undertaken for consideration as part of its next review (2018/19), with relevant national benchmarking being sought to assist with this.

9 How does the decision contribute to the Council's Corporate Plan?

- 9.1 The need for an up to date Scheme of Members' Allowances ensures that the Council supports the democratic process.

10 What risks are there and how can they be reduced

- 10.1 There are no risks with what is being proposed.

11 What is the impact of the decision on equality and diversity; health and wellbeing; safeguarding children, young people and vulnerable adults, community safety and the environment?

- 11.1 The adoption of a Scheme of Members' Allowances ensures that all interested persons are aware of the remuneration levels available to Councillors.

12 Are there any other options?

- 12.1 The Council has the ability to not accept any recommendations put forward by the Panel and propose some of its own.

DEREK PHILLIPS, CHAIR OF EXETER'S INDEPENDENT REMUNERATION PANEL

Local Government (Access to Information) Act 1972 (as amended)

Background papers used in compiling this report:-

None

	2017/18	Percentage Increase	£ Increase	Multipliers	£ Increase	2018/19
Councillor - Basic Allowance	5050	0.07	353.5	0	5400	5400
Leader	16410			3.25		17550
Cabinet Member/Portfolio Holder	8840			1.75		9450
Cabinet Member - No Portfolio Holder	2530			0.5		2700
Chair of Planning Committee	5050			1		5400
Chair of Licensing Committee	3790			0.75		4050
Chair of Overview & Scrutiny Committee	5050			1		5400
Chair of Audit Committee	2530			0.5		2700
Member Champion				0.25		1350

Authority	Cheltenham Council	Oxford City Council	Christchurch Borough Council	East Devon District Council	Mid Devon District Council	Norwich City Council	Exeter	Taunton Deane Borough Council	Teignbridge District Council
Population	112700	168,270	48368	139900	78000	141800	127300	115500	129900
No of Councillors	40	48	24	59	42	39	39	56	46
Councillor - Basic Allowance	5321	£4,809	4154	4360	4645	6193	5050	4344	5235
Residents Per Councillor	2818	3506	2015	2371	1857	3636	3264	2063	2824
Allowance per resident	£1.89	£1.37	£2.06	£1.84	£2.50	£1.70	£1.55	£2.11	£1.85

Average of Allowance per resident	£1.87
Difference from Exeter 2017/18 Allowance	0.32
Difference X Residents per Councillor	1045
Over 3 years	348
New Basic Allowance 2018/19	5400

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MEMBERS' ALLOWANCES SCHEME 2018/19 – 2020-21

	2017/18 £	2018/19 £	2019/20 £	2020/21 £
Basic Allowance	5,050	5,400	5,750	6,100
*Special Responsibility Allowances:-				
Leader (basic x 325%)	16,410	17,550	18,688	19,825
Other Executive members with portfolios (basic x 175%) (x 8)	8,840	9,450	10,063	10,675
Other Executive member without portfolios (basic x 50%) (x 1)	2,530	2,700	2,875	3,050
Chairs of Scrutiny Committees (basic x 100%) (x 3)	5,050	5,400	5,750	6,100
Chair of Planning Committee (basic x 100%) (x 1)	5,050	5,400	5,750	6,100
Chair of Licensing Committee (basic x 75%) (x 1)	3,790	4,050	4,313	4,575
Chair of Audit and Governance Committee (basic x 50%) (x 1)	2,536	2,700	2,875	3,050
Member Champions (basic x 25%) (x4)		1,350	1,438	1,525
* <i>Any Member qualifying for more than one Special Responsibility Allowance is paid the higher allowance only</i>				
Lord Mayor's Expenses Allowances	5,050	5,400	5,750	6,100
Deputy Lord Mayor Mayor's Allowances	1,260	1,350	1,438	1,525

Dependants' Carers' Allowance

An allowance matching Exeter City Council's living wage (currently £8.44 per hour) is payable to Councillors whilst on "approved duties", in accordance with the agreed scheme, plus an uplift of the standard rate of tax, (£10.13 per hour or part of) (see overleaf)

Travel and expenses

To match those payable to officers of the Council for any approved duties undertaken, with travel expenses being paid for any journeys undertaken outside of the city boundaries.

December 2017

Dependants' Carers' Allowance Scheme

An allowance of up to £8.44 per hour (pro rata for part of an hour), plus an uplift of the standard rate of tax, (£10.13 per hour or part of) may be claimed in respect of expenses incurred by a Councillor when a carer for a dependant has been engaged to enable a councillor to carry out an approved duty.

A carer will be any responsible person who does not normally live with the councillor as part of that councillor's family.

An allowance will be payable if the dependant being cared for:

- is a child under the age of 14
- is an elderly person; or
- has a recognised physical or mental disability

who normally lives with the councillor as part of that councillor's family and should not be left unsupervised.

Qualifying duties are defined as meetings of the Council, its Committees and Sub-Committees, training events, briefings and such other duties as are specified by the relevant regulations*.

For meetings or duties within the Council's boundaries, the allowance will be paid for the duration of the meeting or otherwise approved duty plus an allowance for up to one hour's total travelling time before and after the meeting.

The actual cost of care will be reimbursed, up to a maximum of £8.44 per hour.

This allowance will be updated annually in line with the minimum wage.

**Payment of allowance will be made under the powers of Section 100 of the Local Government Act 2000 and Section 7 of Part 2 of the Local Authorities (Members Allowances) (England) Regulations 2003.*

December 2017

MAJOR GRANTS PANEL

Thursday 30 November 2017

Present:-

Councillor Edwards (Chair)
Councillors Bialyk and Sutton

Also Present:

Director (JY), Principal Accountant (MH), City Arts and Events Manager and
Assistant Democratic Services Officer

5 **MINUTES OF THE LAST MEETING**

The minutes of the meeting held on 23 March 2017 were taken as read and signed by the Chair.

6 **PERFORMANCE REVIEW OF SERVICE AGREEMENTS FOR STRATEGIC ARTS ORGANISATIONS**

The City Arts and Events Manager presented the report on the 12 month monitoring for 2016/17 and an assessment of the delivery of the Service Level Agreements with the Strategic Arts Organisations. The report included the detail of:

- those in receipt of the final year of the current three year funding from Exeter City Council to match three year National Portfolio Organisations (NPO) funding from Arts Council England (ACE); Exeter Phoenix, Exeter Northcott, Bikeshed Theatre, Theatre Alibi and Kaleider; and
- those in receipt of annual core funding from Exeter City Council which is applied for via open application process annually. These organisations are Spacex, DAISI, Double Elephant, Le Navet Bete and Magic Carpet (12 month monitoring 2016/17 only).

The report also sought Members' support of the final payments of annual core grant funding for 2017/18 to the organisations listed above with the exception of Magic Carpet (2016/17 core funding only) and the application process for annual core funding from the City Council for 2018/19.

Particular reference was made to the success of applications in Exeter for National Portfolio Organisations (NPO) funding. Exeter Library now had the ability to apply for other funding as a result of their successful application to Arts Council England and would be invited to apply for Arts Funding but only for work to be carried out in Exeter.

RESOLVED to recommend to Executive that:

- (1) The content of the monitoring reports for 2016/17 and progress towards delivery in 2017/18 be noted;
- (2) The final payment of funding for 2017/18 be agreed;

- (3) The final payment of 20% of SpaceX's annual core funding (£1,450) shall be paid as a one off payment to Exeter Phoenix in order to fulfil a programme obligation in this financial year between the organisations. This was at the request of SpaceX and was as a result of the organisations closing down in November subsequent to an unsuccessful application to ACE NPO 2018-2022; and
- (4) The application process for core funding for 2018/19 be agreed as follows:
- organisations who have been successful in applications to NPO funding shall receive priority and may apply for 4 year funding with the proviso that the amounts payable by the City Council in that period may vary (or cease altogether); and
 - that any balance remaining from the Major Grants Budget after the above organisations have been allocated funding, shall be allocated via the same application process but for annual core funding only.

(The meeting commenced at 4.30 pm and closed at 4.44 pm)

REPORT TO EXECUTIVE

Date of Meeting: 12 December 2017

Report of: Chief Executive and Growth Director

Title: Joint Committee for the Heart of the South West

Is this a Key Decision?

No

Is this an executive or council function?

Council.

1. What is the report about?

To seek agreement to the council becoming members of a Heart of the South West (HotsW) joint committee.

2. Recommendations:

That the Council is recommended to:

- 1) Note the content of the 'Heart of the South West Devolution Update' report and progress on the preparation of, and consultation on, a HoTSW Productivity Plan;
- 2) Approve the recommendation of the HotSW Leaders (meeting as a shadow Joint Committee) to form a Joint Committee for the Heart of the South West;
- 3) Approve the Arrangements and Inter-Authority for the establishment of the Joint Committee with the commencement date of Monday 22nd January 2018;
- 4) Appoint The Leader and Deputy Leader as the Council's named representative and substitute named representative on the Joint Committee;
- 5) Appoint Somerset County Council as the Administering Authority for the Joint Committee for a 2 year period commencing 22nd January 2018;
- 6) Approve the transfer of the remaining joint devolution budget to meet the support costs of the Joint Committee for the remainder of 2017/18 financial year subject to approval of any expenditure by the Administering Authority;
- 7) Approve an initial contribution of £1,400 for 2018/19 to fund the administration and the work programme of the Joint Committee, noting that any expenditure will be subject to the approval of the Administering Authority;
- 8) Agree that the key function of the Joint Committee is to approve the Productivity Strategy (it is intended to bring the Strategy to the Joint Committee for approval by February 2018);
- 9) Authorise the initial work programme of the Joint Committee aimed at the successful delivery of the Productivity Strategy;
- 10) Agree the proposed meeting arrangements for the Joint Committee including the timetable of meetings for the Joint Committee as proposed in para 2.14.
- 11) Agree that this approval is subject to:

- i) Membership of the joint committee not committing the council to supporting, or becoming a member of a HoTSW Combined Authority, which would in any event be subject to future debate and agreement by the council.
- ii) The Leader of the Council or nominated representative participating in all meetings or negotiations attended by any members of the Joint Committee, including meetings with Government members and officials that relate to the HoTSW joint committee, the productivity plan, growth deals or any business of the joint committee.
- iii) Membership of the Joint Committee not precluding the council from pursuing all opportunities that would benefit and/or improve the economic growth of Exeter.
- iv) The council maintaining the ability to resign from the Joint Committee in line with the assurance provided by the chair (see para 8 below).

3. Reasons for the recommendation:

The HotSW productivity Plan will be a key strategic document for the partners to engage with Government on a range of investment opportunities and powers emerging from the Industrial Strategy and the National Infrastructure Fund.

With no response from government on the HoTSW's proposals for a devolution deal, a joint committee is an alternative, formal collaboration to maintain a focus on the devolution agenda and to agree and deliver the Productivity Plan.

4. What are the resource implications including non financial resources.

An initial contribution of £1,400 for 2018/19 to fund the administration and the work programme of the Joint Committee plus staff time.

5. Section 151 Officer comments:

If approved, the small amount will be added to next year's budget. It is assumed that this would increase in future years and therefore an early indication of any additional cost will be useful for planning purposes.

6. What are the legal aspects?

The HotSW Joint Committee is a Joint Committee of the local authorities that comprise the HotSW area and established under Sections 101 to 103 of the Local Government Act 1972 and all other enabling legislation to undertake the functions detailed the Inter Authority Agreement, which is attached in the appendices.

7. Monitoring Officer's comments:

The Deputy Monitoring Officer has considered the proposals.

The key issue is that the proposed Joint Committee's functions are to be initially limited to approval of the Productivity Strategy which will be followed by a work programme aimed at the successful delivery of the Productivity Strategy. Further and more detailed information on the Joint Committee functions is set out in the Heart of the

South West (HOTSW) Joint Committee – Draft Arrangements (Appendix A) at Paragraph 2.

The Draft Template Report prepared by Julian Gale, Monitoring Officer at Somerset County Council, envisages that the Joint Committee will take on additional functions. For example, at paragraph 2.3, the possibility of the future expansion of the remit of the Joint Committee is addressed and at paragraph 2.6 the issue of moving ‘swiftly towards a Combined Authority model in the future’ is addressed. It will be noted that any expansion of the remit of the Joint Authority and any move towards a Combined Authority will require approval by each of the Constituent Authorities. Accordingly, approval of Exeter City Council and the other Constituent Authorities would be required before such steps could be taken.

The HOTSW Joint Committee Draft inter Authority Agreement (Appendix B) at paragraph 7 is headed ‘Withdrawal from/dissolution of the JC’. This states, inter alia, that Constituent Authorities may only withdraw from the Joint Committee by giving a minimum of 6 months’ notice in writing to the other Combined Authorities via the Administering Authority (Somerset County Council). There is no mechanism to allow unilateral withdrawal from the Joint Committee without notice. However, as stated above, the Chair has confirmed to the Leader that in the event Exeter City Council wanted to immediately withdraw from the Joint Committee then he would ‘strongly recommend’ that Exeter City Council’s resignation be accepted by the other constituent authorities.

Exeter City Council will have no right of veto concerning the decisions of the Joint Committee. In the event that consensus cannot be reached by the Constituent Authorities, then decisions will be made by simple majority of those present and voting (Appendix A at paragraph 9).

8. Report details:

The HoTSW Programme Office has prepared a template ‘Heart of the South West Devolution Update’ report (See Annex 1) and asked all sixteen local authorities to submit this to their executives and councils. The content of the annexed report is detailed and self-explanatory. In summary, the report:

- Provides an update on progress with devolution in HoTSW.
- Outlines proposals for the preparation and approval of a HotSW Productivity Plan.
- Seeks agreement to the creation of a formal HotSW Joint Committee of the local authorities, national park authorities and partners to take forward the Productivity plan.

The HoTSW template is attached as annex as the recommendations to the City Council are subject to a number of additional conditions (See Recommendation 11 i) to iv)). At its meeting on 14th November 2017, the shadow joint committee agreed to conditions i) to iii). Whilst Paragraph 7 of the Inter–authority agreement will not be amended to accommodate Exeter’s condition on 11 iv) the Chair has confirmed to the Leader that: *“We would like Exeter to give the six months’ notice to leave the Joint Committee should you so choose, but in the event that you feel that an issue is so important that you need to withdraw immediately, then I would personally explain this to the Committee and strongly recommend that your resignation be accepted on that basis.”*

9. How does the decision contribute to the Council’s Corporate Plan?

This decision helps to ensure the delivery of the council's purpose 'Well Run Council'.

10. What risks are there and how can they be reduced?

The conditions have been included to protect the council's position at this point. A proposal for a Combined Authority would present additional risks to the council, but membership of a Combined Authority would need further consideration by the council.

11. What is the impact of the decision on equality and diversity; health and wellbeing; safeguarding children, young people and vulnerable adults, community safety and the environment?

There is no adverse impact.

12. Are there any other options?

1. To not agree in principle to the establishment of the HoTSW joint committee.
2. To agree to unconditional membership of the joint committee.

These options are not recommended to be in the best interests of the council.

Chief Executive and Growth Director

Heart of the South West – Joint Committee – DRAFT TEMPLATE REPORT

Report of the Chief Executive

Please note that the following recommendations are subject to consideration and determination by the Cabinet and County Council (and confirmation under the provisions of the Council's Constitution) before taking effect.

Recommendations: That Cabinet recommends the Council to:

- a) **Approve the recommendation of the HotSW Leaders (meeting as a shadow Joint Committee) to form a Joint Committee for the Heart of the South West;**
- b) **Approve the Arrangements and Inter-Authority Agreement documents set out in appendices A and B for the establishment of the Joint Committee with the commencement date of Monday 22nd January 2018;**
- d) **Appoint ? and ? as the Council's named representative and substitute named representative on the Joint Committee;**
- c) **Appoint Somerset County Council as the Administering Authority for the Joint Committee for a 2 year period commencing 22nd January 2018;**
- e) **Approve the transfer of the remaining joint devolution budget to meet the support costs of the Joint Committee for the remainder of 2017/18 financial year subject to approval of any expenditure by the Administering Authority;**
- f) **Approve an initial contribution of X for 2018/19 to fund the administration and the work programme of the Joint Committee, noting that any expenditure will be subject to the approval of the Administering Authority;**
- g) **Agree that the key function of the Joint Committee is to approve the Productivity Strategy (it is intended to bring the Strategy to the Joint Committee for approval by February 2018);**
- h) **Authorise the initial work programme of the Joint Committee aimed at the successful delivery of the Productivity Strategy;**
- i) **Agree the proposed meeting arrangements for the Joint Committee including the timetable of meetings for the Joint Committee as proposed in para 2.14.**

1. Introduction

1.1 Since August 2015, Devon and Somerset County Councils, all Somerset and Devon Districts, Torbay Council, Plymouth City Council, Dartmoor and Exmoor National Parks, the Local Enterprise Partnership (LEP) and the three Clinical Commissioning Groups have worked in partnership to progress towards securing a devolution deal for the HotSW area focusing on delivering improved productivity. Since that time the partnership has continued to progress its objectives in spite of policy shifts at a national level.

1.2 On 16 February 2017 (Minute ?? refers) **insert own Council date and minute reference** the Council gave 'in principle' approval to the establishment of a HotSW Joint Committee, subject to approving the Joint Committee's constitutional arrangements and an inter-authority agreement necessary to support the Joint Committee. This report sets out the

necessary documents which, if agreed, will enable the Joint Committee to be formally established.

1.3 Since then the General Election has further shifted the national policy position. On the 13th October representatives of HotSW (from the Somerset, Devon, Plymouth and Torbay upper tier authorities) met Jake Berry MP, Minister for devolution to clarify the position of the Government and the HotSW Partnership on the devolution issue. The meeting was very positive and although no agreements were reached at the meeting, the partnership's representatives were given a clear message that the Government would welcome a bid from the partnership to progress our productivity ambitions by identifying areas where we can work together with Government. Importantly the Minister indicated that there would be no requirement to have an elected mayor for Devon and Somerset as a condition of any deal. This statement has removed one significant blockage to moving our ambitions forward and we now need to agree what we want from this initiative and then find practical ways to work with the Government on delivery.

1.4 There is now no doubt that the Government is keen to engage with wider areas that can demonstrate:

- Unity, clarity of purpose and a shared, ambitious vision built on local strengths
- Strong partnership between business and the public sector with solid governance arrangements that provide assurance in capacity to deliver
- Compelling ideas that can help to deliver Government objectives
- Clarity about the offer to Government in terms of savings and is prepared to take hard decisions based on a robust analysis of risk and benefits.

The Joint Committee will provide the ideal governance framework at this stage to take forward this dialogue with Government.

1.5 The key role of the HotSW Joint Committee is to develop, agree and ensure the implementation of the Productivity Strategy. This can only be achieved by working, where appropriate, in collaboration with the individual constituent authorities and the LEP. The Strategy will agree a common vision for increased prosperity through economic growth informed by a local evidence base and engagement with local stakeholders. It will also link to Government policy initiatives, particularly in relation to the Industrial Strategy, and will form the basis for developing our collective 'ask' of Government.

2. HotSW Joint Committee Proposal

2.1 The detail of the proposed functions of the Joint Committee and how it will operate are set out in appendix A attached – the Arrangements document. Appendix B attached sets out an Inter-Authority Agreement for consideration which details how the Joint Committee will be supported and sets out the obligations of the Council if it agrees to become a constituent member.

2.2 The documents detail the Administering Authority functions in support of the operation of the Committee including the provision of financial, legal, constitutional and administrative support to the Committee.

2.3 At this stage the Arrangements and Inter-Authority documents have been 'scaled' to fit the functions of the Joint Committee and the limited liabilities that each authority faces in

signing up to be a Constituent Authority. In the event that the remit of the Joint Committee expands to take on more decision-making responsibilities and functions of the constituent authorities, the Arrangements and Inter-Authority agreement will be revisited to ensure that they remain fit for purpose and proportionate. Any expansion of the functions and responsibilities would require the approval of the Constituent Authorities.

2.4 The Joint Committee has a much more limited role than a Combined Authority. It does not have the statutory or legal status of a Combined Authority and cannot deliver the full range of benefits that a Combined Authority can, but it does have the potential to provide cohesive, coherent leadership and a formal governance structure. Its role will focus on collaboration, negotiation and influencing with full decision making responsibilities limited to developing and agreeing the Productivity Strategy. The principle of subsidiarity will apply to the relationship between the Joint Committee, the Constituent Authorities and local Sub-Regional Partnerships with decisions to deliver the Productivity Strategy and decisions necessary as a result of the other functions of the Joint Committee being taken at the most local and appropriate level.

2.5 The aim of the Joint Committee through the delivery of the Productivity Strategy will be to:

- Improve the economic prosperity of the wider area by bringing together the public, private and education sectors;
- Work together to realise opportunities and mitigate impacts resulting from Brexit;
- Increase understanding of the local economy and what needs to be implemented locally to improve prosperity for all;
- Ensure the necessary strategic framework, including infrastructure requirements, is in place across the HotSW area to enable sub-regional arrangements to fully deliver local aspirations; and improve the efficiency and productivity of the public sector. This work will be supported by a Joint Committee budget based on an agreed work programme.

2.6 The creation of a single strategic public sector partnership covering the HotSW area will: facilitate collaborative working; help us to remove barriers to progress; as well as provide a formal structure to engage with Government at a strategic level on major areas of policy. It also has the potential to enable the Constituent Authorities and partners to have discussions with neighbouring Councils / Combined Authorities / LEPs on South West peninsula priorities and issues as well as the ability to move swiftly towards a Combined Authority model in the future (by potentially acting as a shadow Combined Authority) if the conditions are deemed acceptable to the Constituent Authorities.

2.7 Critically, the Joint Committee will also provide a formal mechanism for the Constituent Authorities to engage effectively with the LEP across common boundaries and agendas. District Council partners, in particular, might view this as an opportunity to engage more effectively with the LEP. The LEP, which will sit alongside the Joint Committee, has recently adopted new governance requirements to ensure greater transparency and accountability and wishes to further improve its democratic accountability in discussion with HotSW partners. The Joint Committee will provide a formal structure to take these discussions forward and for the Constituent Authorities to have greater influence over the activities of the LEP on our common agendas.

2.8 Although the Joint Committee is a cost-effective formal structure, some provision needs to be made to meet the support costs of what will be a fully constituted local authority joint committee. It is proposed that Somerset County Council (who have provided the lead for the governance workstream of the devolution project over the last two years) takes on the support role (with the option of rotating the role after 2 years of operation), to provide the financial, legal, democratic support to the Joint Committee from 22nd January 2018.

2.9 There is currently the remainder of the joint devolution budget raised from an initial contribution from all Authorities and the LEP in 2015. It is recommended that the remaining funds from this budget - £42,000 - are transferred to the Administering Authority and the budget is used to support the costs of the Joint Committee for the remainder of 2017/18 financial year and for some of 2018/19.

2.10 In addition, the Joint Committee will need a budget to undertake its work programme in order to oversee the implementation of the Productivity Strategy. The overall budget required to support the Joint Committee and enable it to undertake its work programme will be dependent, to an extent, on the level of 'in-kind' officer resources provided to the Committee by the constituent authorities. The Administering Authority will review the in-kind support which has been provided for the devolution project in consultation with the constituent authorities and bring forward revised budget figures as part of a budget and cost sharing agreement as necessary in due course to the Joint Committee for consideration and recommendation to the Constituent Authorities. The budget figures set out in this report in paragraph 2.11 are therefore provisional at this stage. The initial Joint Committee work programme is set out in section 3 below for approval.

2.11 Through work undertaken by the partners it is estimated that the operating cost of a Joint Committee will be £89,000 in 2018/19 (and to cover the remainder of 2017/18) excluding any in-kind support. This estimate is made up of the following:

- £40,000 for the Administering Authority to undertake its duties. This is seen as a minimum cost and assumes that 'in-kind' officer resource remains in place at the same level; the Joint Committee meeting venues are provided by partners as 'in-kind' contribution
- £25,000 (estimate) for work the Joint Committee would wish to commission
- £24,000 for the Brexit Resilience and Opportunities Group Secretariat.

2.12 The Shadow Joint Committee recommends the budget is met by contributions from the Constituent Authorities. This would exclude the LEP and the CCGs from contributing as non-voting partners. As stated above it is estimated there will be a funding carry forward of £42,000 from the 2015 devolution budget. This would leave a shortfall of £47,000 to meet the total estimated budget requirement of the Joint Committee in 2018/19. Using the formula of contributions agreed in 2015 to support the devolution project the contribution requested of each Constituent Authority for 2018/19 is set out below. This assumes that all authorities agree to become members of the Joint Committee and would have to be recalculated should fewer than 19 Authorities become Members.

- County Councils - £10,500
- Unitary Councils - £4,000

- District Councils and National Parks £1,400

2.13 Under this formula it is recommended this Council contributes X for 2018/19 as a Constituent Authority. Any expenditure against this budget would be subject to the formal approval of the Administering Authority.

2.14 In terms of the proposed meeting arrangements for the Joint Committee, it is recommended:

- That the Joint Committee should meet formally immediately after the LEP Board meetings to assist with engagement and co-operation between the bodies and allow co-ordination of the respective work programmes.
- That the following dates are reserved for meetings of the Joint Committee in 2018:
 - Friday 26th January
 - Friday 23rd March
 - Friday 25th May
 - Friday 20th July
 - Friday 28th September
 - Friday 30th November
- That the Joint Committee meetings should start at 10am with the venues rotated throughout the HotSW area. The assumption will be that the host authority for that meeting will provide appropriate accommodation and facilities ‘in kind’.

3. HotSW Productivity Plan and the Joint Committee Work Programme

3.1 The Partnership has, since its inception, been focused on working together to tackle low productivity as this is seen as the key to future economic growth. The academic research undertaken in the HotSW Green Paper on Productivity - <http://www.torbay.gov.uk/council/how-the-council-works/devolution/productivity-plan-green-paper/> highlighted that whilst Devon and Somerset have one of the highest employment rates in the country too many of those jobs are part-time and low paid. This means that our area has one of the lowest productivity rates in the Country and this is a major barrier to future prosperity.

3.2 The Partnership has continued to lobby Government to work more closely with our area in order to make good on its promise to spread economic growth across the Country and we now need to build on the recent meeting of the Minister and the momentum achieved. This work is urgently needed to ensure that areas such as the Heart of the South West don't get left behind as Government look to focus investment in areas where there are strong, cross boundary strategic partnership arrangements such as the six Mayoral Combined Authorities.

3.3 The Productivity Strategy is being developed through an academic evidence base and engagement with stakeholders and the community. The draft plan is currently out to consultation (<http://www.torbay.gov.uk/devolution>). The deadline for response is 30th November 2017 . Members are encouraged to respond to the draft strategy.

3.4 In summary the Strategy proposes to deliver prosperity and productivity across the entire HotSW and to do so in an inclusive way. It proposes to build on existing strengths such as aerospace, advanced manufacturing, nuclear energy and agri-tech as well as exploiting new opportunities and releasing untapped potential.

The Strategy is built around three key objectives:

- Developing **leadership and knowledge** within businesses in our area;
- Strengthening the **connectivity and infrastructure** our businesses and people rely on; and
- Developing the ability of people in our area to **work and learn** in a rapidly changing economy.

	Leadership and knowledge	Connectivity and infrastructure	Working and learning
Aspiration	To substantially improve the productivity of businesses in the area.	Improve our physical and natural assets to support wellbeing and economic opportunities.	Meet the potential of every individual within the area to work and contribute to our shared prosperity.
High-level aim	Help develop innovative, ambitious, growing businesses that can compete internationally.	Create vibrant places that are attractive to skilled people and new investment, with infrastructure to support productivity growth.	Develop, attract and retain a highly skilled and adaptable workforce.
Strategic objective	<p>Programmes</p> <ul style="list-style-type: none"> • Management excellence • New markets, new opportunities • Remove barriers to expansion • Attract talent and investment 	<p>Programmes</p> <ul style="list-style-type: none"> • Clean energy infrastructure • Connectivity and resilience • Land for business and housing needs • Natural capital to support productivity 	<p>Programmes</p> <ul style="list-style-type: none"> • Skills for a knowledge-led economy • Pathways to success • Access to work and opportunities • Skills for our ‘golden opportunities’

3.5 It is recommended that one of the first tasks of the Joint Committee will be to approve the Productivity Strategy early in the New Year;

3.6 The Partnership has been meeting as a Shadow Joint Committee since 22nd September 2017. Its focus is to ensure the Joint Committee can immediately move into action and take advantage of major funding streams, national policy debates and lobbying around the

economy. The Partnership will be working with the LEP to deliver the Productivity Strategy and will be supporting a joint work programme which initially will involve:

- Developing and recommending a delivery and investment Framework, to implement the Productivity Strategy and demonstrating our capacity to deliver. This will complement the LEP's Strategic Investment Panel which oversees the LEP's investments;
- Investigating ways to complement existing work to draw out opportunities to attract infrastructure investment in line with the Productivity Strategy aims, building our track record for ambitious and compelling propositions;
- Investigating ways to complement existing work on improving the delivery of skills in line with the Productivity Strategy aims
- Investigating ways to complement existing work on strengthening leadership & knowledge within the area's SMEs in line with the Productivity Strategy aims;

3.9 Any Joint Committee expenditure on the joint work programme will be subject to approval by the Administering Authority.

4. Consultation, communication and engagement

4.1 Members, partners and the public have been kept informed of developments of the HotSW Devolution Partnership and the Productivity Strategy through press releases, newsletters, presentations, workshops and publications. This information flow will be maintained by the Joint Committee. In addition, all of the Authorities within the Partnership have taken formal decisions as required during the various stages of consideration of devolution proposals and the proposed creation of the Joint Committee.

4.2 A draft Productivity Strategy has been released for public consultation . To complement the on-line consultation there will be; Council-based briefings and targeted key stakeholder events through 6 sub-regional roadshows held in Plymouth, Northern Devon, Cullompton/Exeter, Torbay, Taunton/Bridgwater and Yeovil/Shepton Mallet. The consultation will end on 30th November 2017 and feedback will influence the final strategy which is due for approval in early 2018.

5. Equality Considerations

5.1 The Inter-Authority Agreement requires all Constituent Authorities to support, promote and discharge its duties under the Equality Act through the work of the Joint Committee. The Partnership is developing an Equality Impact Needs Assessment to inform the development of the Productivity Strategy. The Joint Committee will consider this assessment alongside the Productivity Strategy before adoption.

6. Public Health Considerations

6.1 There is a strong correlation between economic prosperity and health of the population. Public Health specialists will be key stakeholders within the consultation process and will be asked to advise on ways in which the Productivity Strategy could be connected to public health strategies to maximise the benefits to our communities.

7. Risk Management Considerations

7.1 The creation of a Joint Committee will place a formal governance structure around the preparation and implementation of the Productivity Strategy. The Strategy will be used as a tool to attract a greater share of Government funding around the Industrial Strategy to mitigate the risk of Devon and Somerset being left behind other areas of the country.

7.2 Without a Productivity Strategy and Joint Committee in place, the Council and its partners will lack credibility and be at a disadvantage in negotiating and lobbying Government on a range of policy initiatives including the growth agenda and are likely to miss out on potential funding streams.

7.3 The individual financial risk to the individual Constituent Authorities of establishing the Joint Committee is limited to their financial contributions to the running and operational costs of the Joint Committee. The risk is shared between all of the Constituent Authorities.

8. Legal considerations

8.1 Each of the partners' legal teams and Monitoring Officers have been involved in the development of the Arrangements and Inter-Authority documents set out as Appendices A and B. The documentation also aligns to the LEP's Assurance Framework.

8.2 This simple documentation sets out the functions, membership and operations of the Joint Committee and the requirements upon the constituent authorities in supporting it.

9. Financial considerations

9.1 The costs associated with the early work on the Productivity Strategy preparation largely relate to officer time which is being provided 'in kind' by the authorities and partners. Specifically the LEP has met some direct costs.

9.2 The establishment of the Joint Committee provides a low cost option compared to a Combined Authority model of governance. As part of the Inter-Authority Agreement the assumption is that the Constituent Authorities will continue to provide in-kind support although this will be reviewed by the Administering Authority to ensure that the levels of support are appropriate, sustainable into the future and acceptable to the authorities providing the support. The direct running costs of the Joint Committee will be limited to providing officer support for the meetings, if there is insufficient 'in-house' capacity, and the costs of the meetings themselves. At this stage direct support costs will be kept to a minimum and for 2017/18 and some of 2018/19 will be covered by the residual joint devolution budget established in 2015.

9.3 In addition to the direct costs of administering the Joint Committee there is also the issue of a budget to fund its Work Programme. Further details of the provisional budget requirements are set out in section 2 together with the proposed funding mechanism for contributions from individual Constituent Authorities.

9.4 In coming to their decision about a Joint Committee and whether the potential costs provide good value for money, Members might like to consider the potential cost/impact of

not working in this way and the potential loss of influence with the Government and investment to the area. Through recent funding initiatives and policy – including through the recent meeting with the Minister, it is clear that Government is looking for areas to come together and articulate their vision and priorities across footprints wider than their organisational boundary or sub-regional areas.

9.5 The proposal put before Members sets out a low risk, low cost option to work in a more formal way to capitalise on opportunities arising from future Government strategies, funding announcements and in preparation for Brexit.

10. Options/Alternatives

10.1 There are two options and alternatives that Members might consider:

Option 1 – Do nothing and continue with informal arrangements within the Partnership. As set out above the feedback from Government is they prefer to work ‘at scale’ and are looking more favourably at areas that have a unity of vision and purpose.

Option 2 – move to a Combined Authority. The Partnership now need to review the option of establishing a Combined Authority at some point following the indication from the Minister that there will be no requirement to have an elected mayor in order to pursue our ambitions. Establishing a Combined Authority requires a substantial lead in time to allow for the Parliamentary approval process and would inevitably require the creation of a shadow Combined Authority to test and confirm the concept. The potential benefits of moving to a Combined Authority model will have to be judged against the implications of doing so, including the cost implications. The Joint Committee has the benefit of allowing the Partnership to move relatively quickly to establish a Combined Authority if that is the wish of the partners.

11. Reason for Recommendation/Conclusion

11.1 Working together will deliver better results if we are to help our businesses improve their productivity levels and deliver greater prosperity across the Heart of the South West. By collaborating across local geographies we will strengthen the area’s voice to Government and strengthen the actions the area can take to improve productivity.

11.2 The Productivity Strategy will replace the Local Enterprise Partnership’s Strategic Economic Plan. It will be the key strategic document for the partners to engage with Government and each other on a range of investment opportunities and powers emerging from the Industrial Strategy, Brexit and other policy opportunities.

11.3 The HotSW Joint Committee will provide a formal strategic partnership to complement and maximise the ability of individual authorities and sub-regional arrangements to deliver their aspirations. It will provide the formal arrangements for collaboration on productivity.

11.4 Through the Joint Committee the partners can test and improve their ability to work together as a potential precursor to the possible establishment of a Combined Authority at some point in the future. It will also provide a mechanism to further strengthen democratic

input and influence with the LEP and align more effectively with the LEP's new model of governance and accountability.

11.5 Without a Joint Committee in place, the HotSW area will continue to struggle to position itself to be able to take advantage of Government policy initiatives and new funding opportunities compared to those areas that have and are establishing formal strategic partnerships.

Julian Gale
Monitoring Officer
Somerset County Council

30th October 2017

APPENDIX A

HEART OF THE SOUTH WEST (HOTSW) JOINT COMMITTEE – DRAFT ARRANGEMENTS

1. Introduction:

1.1 Legal status: The HotSW Joint Committee is a Joint Committee of the local authorities listed in 1.5 below that comprise the HotSW area and established under Sections 101 to 103 of the Local Government Act 1972 and all other enabling legislation to undertake the functions detailed in section 2 of this Agreement.

1.2 Key purpose: The key purpose of the Joint Committee is to be the vehicle through which the HotSW partners will ensure that the desired increase in productivity across the area is achieved.

1.3 Aims and objectives: The aim is to provide a single strategic public sector partnership that covers the entire area and provides cohesive, coherent leadership and governance to ensure delivery of the Productivity Strategy for the HotSW area. The specific objectives of the Joint Committee are to:

- (a) Improve the economy and the prospects for the region by bringing together the public, private and education sectors;
- (b) Increase our understanding of the economy and what needs to be done to make it stronger;
- (c) Improve the efficiency and productivity of the public sector;
- (d) Identify and remove barriers to progress and maximise the opportunities /benefits available to the area from current and future government policy.

1.4 Commencement: The Joint Committee will be established in accordance with the resolutions of the Constituent Authorities listed below in paragraph 1.5 with effect from the Commencement Date (22nd January 2018) and shall continue in existence unless and until dissolved by resolution of a majority of the Constituent Authorities.

1.5 Membership: Each of the Constituent Authorities listed below shall appoint 1 member and 1 named substitute member to the Joint Committee on an annual basis. Each member shall have 1 vote including substitute members. For the Councils, the member appointed shall be that Council's Leader except in the case of Torridge District Council where the member appointed by the Council shall have authority to speak and vote on matters on behalf of the Council. Political balance rules do not apply to the Joint Committee membership. The substitute member shall also be a cabinet member where the Council is operating executive arrangements. For the National Park Authorities the member appointed shall have authority to speak and vote on matters on behalf of the Authority:

- Dartmoor National Park Authority
- Devon County Council
- East Devon District Council
- Exeter City Council
- Exmoor National Park Authority

- Mendip District Council
- Mid Devon District Council
- North Devon Council
- Plymouth City Council
- Sedgemoor District Council
- Somerset County Council
- South Hams District Council
- South Somerset District Council
- Torbay Council
- Taunton Deane Borough Council
- Teignbridge District Council
- Torridge District Council
- West Devon Borough Council
- West Somerset Council.

1.6 In addition to the Constituent Authorities the partner organisations listed below shall each be invited to appoint 1 co-opted representative and 1 named substitute co-opted representative to the Joint Committee. Co-opted members shall not have voting rights:

- Heart of the South West Local Enterprise Partnership (the LEP)
- NHS Northern, Eastern and Weston Devon Clinical Commissioning Group
- NHS South Devon and Torbay Clinical Commissioning Group
- NHS Somerset Clinical Commissioning Group

1.7 The Joint Committee may co-opt further non-voting representatives from the private, public and/or voluntary sectors at any time.

1.8 Each appointed member / representative shall remain a member of the Joint Committee until removed or replaced by the appointing authority / organisation. Appointments to fill vacancies arising should be notified to the Joint Committee Secretary as soon as possible after the vacancy occurs.

1.9 Standing Orders / Rules of Procedure: Outside of the contents of this 'Arrangements' document, the Standing Orders and Rules of Procedure for the Joint Committee shall be those contained in the Constitution of the Administering Authority to the Joint Committee, subject, in the event of any conflict, to the provisions in the Arrangements document taking precedent.

1.10 Administering Authority: A Council shall be appointed by the Constituent Authorities as the Administering Authority for the Joint Committee and shall provide legal, democratic services, financial and communications support to the Committee. The Joint Committee's Forward Plan of business and papers for its meetings shall be published on the Administering Authority's website with links provided to the websites of the other Constituent Authorities and partner organisations.

2. Joint Committee Functions:

2.1 The only delegated function of the Joint Committee relates to the approval of the HotSW Productivity Strategy. All other matters referred to in 2.3 are 'referred' matters where the Joint Committee will make recommendations to the Constituent Authority or Authorities for decision. Additional delegated or referred functions may be proposed for the Joint Committee in the future by the Joint Committee or any of the Constituent Authorities, but shall only be agreed if approved by all of the Constituent Authorities.

2.2 The principle of subsidiarity will apply to the relationship between the Joint Committee, the Constituent Authorities and local Sub-Regional Partnerships with decisions being made at the most local and appropriate level on all matters to do with the delivery of the Productivity Strategy and in relation to the other functions of the Joint Committee.

2.3 The Joint Committee shall:

- (a) Develop and agree the HotSW Productivity Strategy in collaboration with the LEP.
- (b) Ensure delivery of the HotSW Productivity Strategy in collaboration with the LEP and the Constituent Authorities.
- (c) Continue discussions /negotiations with the Government on the possibility of achieving devolved responsibilities, funding and related governance amendments to assist with the delivery of the Productivity Strategy. Joint Committee proposals arising from these discussions /negotiations would require the formal approval of the Constituent Authorities / partner agencies.
- (d) Continue discussions / negotiations with the Government / relevant agencies to secure delivery of the Government's strategic infrastructure commitments, eg, strategic road and rail transport improvements
- (e) Work with the LEP to identify and deliver adjustments to the LEP's democratic accountability and to assist the organisation to comply with the revised (November 2016) LEP Assurance Framework. This includes endorsing the LEP's assurance framework on behalf of the Constituent Authorities as and when required. However, this is subject to the Framework being formally approved by the LEP's Administering Authority.
- (f) Ensure that adequate resources (including staff and funding) are allocated by the Constituent Authorities to enable the objectives in (a) to (e) above to be delivered.

3. Funding

3.1 The Constituent Authorities shall agree each year and in advance of the start of the financial year (except in the year of the establishment of the Joint Committee) a budget for the Joint Committee in accordance with a Budget and Cost Sharing Agreement to cover the administrative costs of the Joint Committee and costs incurred in carrying out its functions. All funds will be held and administered by the Administering Authority on behalf of the Constituent Authorities and spent in accordance with that Authority's financial regulations and policies.

3.2 In the Joint Committee's first year of operation, the budget will be approved by the constituent authorities on the recommendation of the Joint Committee as soon as possible after the establishment of the Joint Committee.

3.3 Joint Committee members' costs and expenses will be funded and administered by the respective Constituent Authority.

4. Review of the Joint Committee Arrangements

5.1 The Joint Committee may at any time propose amendments to the Arrangements document which shall be subject to the approval of all of the Constituent Authorities.

5.2 Any Constituent Authority may propose to the Joint Committee amendments to the Arrangements. Such amendments shall only be implemented if agreed by all of the Constituent Authorities on the recommendation of the Joint Committee.

5. Members' Conduct

5.1 All members of the Joint Committee shall observe the "Seven Principles of Public Life" (the 'Nolan' principles) and will be bound by their own authority's code of conduct in their work on the Joint Committee.

5.2 Joint Committee members / representatives shall be subject to the code of conduct for elected members adopted by the Constituent Authority that nominated them to be a Joint Committee member or to the conduct requirements of the organisation that appointed them. This includes the requirement to declare relevant interests at formal meetings of the Joint Committee.

6. Requirements of Joint Committee members

6.1 Joint Committee members shall:

- (a) Act in the interests of the Joint Committee as a whole except where this would result in a breach of a statutory or other duty to their constituent authority or would be in breach of their Constituent Authority's Code of Conduct.

- (b) Be committed to, and act as a champion for, the achievement of the Joint Committee's aims.
- (c) Be an ambassador for the Joint Committee and its work.
- (d) Attend Joint Committee meetings regularly, work with others to achieve consensus on items of business and make a positive contribution to the Committee's work.
- (e) Act as an advocate for the Joint Committee in any dealings with their organisation including seeking any approvals from their Constituent Authority/partner organisation to Joint Committee recommendations.
- (f) Adhere to the requirements of the 'Arrangements' document and maintain high ethical standards.

7. Appointment of Chairman and Vice-Chairman

7.1 The Joint Committee shall elect a Chairman and Vice-Chairman from amongst the voting membership as the first items of business at its inaugural meeting and at each Joint Committee Annual General Meeting thereafter. The appointments shall be confirmed by a simple majority vote of Constituent Authority members. If a deadlock occurs between two or more candidates a secret ballot shall immediately be conducted to confirm the appointment. If there is still deadlock following a secret ballot then a further meeting of the Joint Committee shall be held within 14 days and a further secret ballot shall be held to resolve the appointment.

7.2 A vacancy occurring in the positions of Chairman or Vice-Chairman between Annual General Meetings shall be filled by election at the next meeting of the Joint Committee. The person elected will serve until the next Annual General Meeting.

7.3 The Chairman and Vice-Chairman shall, unless he or she resigns the office or ceases to be a member of the Joint Committee and subject to 7.5 below, continue in office until a successor is appointed.

7.4 In the absence of the Chairman and the Vice-Chairman at a meeting, the voting members of the Committee present shall elect a Chairman for that meeting.

7.5 The Chairman or Vice-Chairman may be removed by a vote of all of the Constituent Authority members present at a meeting of the Joint Committee.

8. Quorum

The quorum for any meeting of the Joint Committee shall be 9 Constituent Authority members. The Chairman will adjourn the meeting if there is not a quorum present. In the absence of a quorum, the meeting shall be adjourned to a date, time and venue to be agreed by the Chairman.

9. Voting

9.1 Wherever possible the elected and co-opted members of the Joint Committee shall reach decisions by consensus and shall seek to achieve unanimity.

9.2 In exceptional circumstances where a formal vote is required, the proposal will be carried by a simple majority agreement of the voting members present and voting by a show of hands. The Chairman of the Joint Committee shall not have a casting vote in the event of a tied vote.

10 Decision making Arrangements

10.1 Only the Joint Committee shall approve the Productivity Strategy.

10.2 The Joint Committee may at any time appoint working groups consisting of Joint Committee members and/or co-opted representatives / officers to consider specific matters and report back / make recommendations to the Joint Committee.

11 Formal Meeting Arrangements

11.1 The Joint Committee will hold an Inaugural Meeting within 30 days of the agreed commencement date and thereafter shall meet on a regular basis as agreed by the Joint Committee annually at its Annual General Meeting.

11.2 The Chairman or in his/her absence the Vice-Chairman, may call a special meeting of the Joint Committee following consultation with the Chief Executives' Advisory Group to consider a matter that falls within the Committee's remit but cannot be deferred to the next scheduled meeting, provided that at least ten clear working days notice in writing is given to the Joint Committee membership.

11.3 Formal meetings of the Joint Committee shall normally be held in public, in accordance with the Access to Information Rules and the Standing Orders / Rules of Procedure of the Administering Authority.

11.4 Meetings of any working groups or task groups established by the Joint Committee shall, unless otherwise agreed, be held in private.

12. Who can put items on the Joint Committee's agenda?

- (a) The Joint Committee itself;
- (b) Any of the members of the Joint Committee appointed by the Constituent Authorities
- (c) A Constituent Authority by way of a formal resolution
- (d) The Chief Executives' Advisory Group
- (e) The Monitoring Officer and / or the Chief Finance Officer of the Administering Authority.

13. Reporting Arrangements

13.1 In addition to any ad hoc reports to the Constituent Authorities, the Joint Committee shall supply an annual report of its activities to the Constituent Authorities in May of each year.

13.2 The Joint Committee shall co-operate with the public scrutiny arrangements of the Constituent Authorities.

14 Record of attendance

14.1 All members present during the whole or part of a meeting are asked sign their names on the attendance sheets before the conclusion of every meeting to assist with the record of attendance.

Julian Gale
Monitoring Officer
Somerset County Council

30.10.17

APPENDIX B

HOTSW JOINT COMMITTEE DRAFT INTER – AUTHORITY AGREEMENT

1. Commencement and Duration:

1.1 This Agreement (and the obligation of the Constituent Authorities [CAs]) shall take effect on the agreed Commencement Date – Monday 22nd January 2018 - and shall continue until the Joint Committee (JC) is dissolved.

2. Formation provisions:

2.1 The CAs agree to form the JC from the agreed Commencement Date and to delegate / refer the functions specified to the JC from that date as set out in section 2.3 of the Arrangements document.

2.1 The JC shall operate in accordance with the Arrangements document and the Standing Orders and Rules of Procedure of the Administering Authority (AA).

3. Administering Authority (AA) arrangements

3.1 The AA shall be appointed by resolution of the CAs for a 24 month period (24 months is considered as appropriate to provide sufficient continuity but also to provide the option to rotate the role on a regular basis).

3.2 The AA shall provide:

- Financial, legal, constitutional and administrative support to the JC and its meetings
- An on-line presence for the JC via the AA website with links to the CAs / partner organisations websites.
- Ensure it has appropriate insurance arrangements in place to cover the AA role.

3.3 The AA may resign from the role by giving 6 months' notice to the CAs.

3.4 The AA may be removed and replaced by a majority vote of the CA members at a formal meeting of the JC.

3.5 The JC shall cease to exist in the event that no CA or organisation can be identified to undertake the AA role.

4. JC Finance

4.1 The JC's budgetary arrangements shall be detailed in a budget and cost sharing agreement (to be drafted) to be agreed by all of the CAs annually on the recommendation of the JC and in advance of the financial year. The only exception

to this will be in the JC's first year of operation when the JC shall recommend a budget and cost sharing agreement to the CAs for approval at the first opportunity following its establishment.

4.2 The budget and cost sharing agreement shall cover:

- (a) The responsibilities of the CAs for providing funding for the JC
- (b) The anticipated level of expenditure for the JC for the year ahead
- (c) The cost sharing mechanism to be applied to the CAs
- (d) Details of how the budget will be set and agreed each year
- (e) Who is to be responsible for maintaining financial records on behalf of the JC (the 'accountable body');
- (f) What financial records are to be maintained;
- (g) What financial reports are to be made, to whom and when;
- (h) What arrangements and responsibilities are to be made for:
 - auditing accounts;
 - insurance including ensuring all partners have sufficient cover;
- (i) How any financial assets held by the JC on behalf of the CAs will be redistributed to the CAs in the event of the dissolution of the JC or in the event of a CA formally withdrawing from the CA.

5. Roles and responsibilities of the CAs

5.1 The CAs shall:

- (a) Appoint Members and named substitutes to the JC in accordance with the 'Arrangements'.
- (b) Undertake to share the costs of the JC in accordance with the budget and cost sharing agreement and pay their contribution to the JC to the AA in good time.
- (c) Make appropriate arrangements for recommendations of the JC to be considered and decisions made by the CA.
- (d) Support the work of the JC by offering services, resources or other 'in kind' support to assist with JC projects and activities.
- (e) Within the terms of the Inter-Authority Agreement, agree to share information to support the work of the JC.

6. Chief Executives' Advisory Group

6.1 The Group shall:

- (a) Ensure that the JC fulfils its functions and responsibilities and in accordance with all legal and constitutional requirements.
- (b) Plan and co-ordinate the JC's activities to ensure the achievement of its aims and objectives
- (c) Consider the performance and effectiveness of the JC on an on-going basis and make recommendations for changes for consideration by the JC and CAs as necessary.
- (d) Ensure that professional advice is available and provided as necessary to the JC to enable it to carry out its functions.
- (e) Rigorously monitor and scrutinise the JC's budget.
- (f) Consider disputes between the CAs over the application or interpretation of this Agreement together with any potential breaches of this Agreement.

7. Withdrawal from / dissolution of the JC

7.1 A CA wishing to withdraw from the JC shall give a minimum of 6 months' notice in writing to the other CA via the AA. The CAs shall co-operate with any such request.

7.2 If two or more CAs give notice of withdrawal from membership of the JC in the same Financial Year, the JC shall consider and make recommendations to the remaining CA as to the future operation of the JC and, if appropriate, recommend any necessary amendments required to the JC's functions and operating arrangements.

7.3 Where a majority of the CAs at any time agree (via formal resolutions) that the JC should be dissolved or terminated on a specified date then the JC shall cease to exist from that date.

8. Accounts, Audit and Reporting arrangements

8.1 The AA's accounts and audit arrangements will apply to JC business.

8.2 The AA will ensure appropriate reporting arrangements are in place for the JC.

9. Review of Inter-Authority Agreement

9.1 At any time one or more of the CAs may seek a review of this agreement and the operation of the JC by giving notice to the CAs via the AA.

9.2 The review shall be undertaken by the Chief Executives Advisory Group for report to the JC. Any recommendations for changes to the agreement from the JC shall only be implemented if agreed by all of the CAs.

10. Insurance, Indemnities, and Conduct of Claims

10.1 The JC as a scrutiny and policy making group rather than a commissioning body undertakes administrative functions and therefore carries relatively little risk.

10.2 Each authority's insurance cover will automatically extend to provide protection for their members and officers participating in the work of the JC and in their capacity as officers or members of that authority.

11. Information Sharing, Data Protection, Confidentiality, Publicity and Freedom of Information (FOI) Requests

11.1 The CA shall share information about their organisations where that information is relevant to the aims and objectives of the JC.

11.2 Where such information is confidential or privileged, for example for reasons of commercial, customer or client confidentiality, the CA concerned shall seek to provide the information in such a form as to assist the JC whilst maintaining confidentiality, for example by the use of statistical and other non-identifiable forms of data. If confidential information is provided by a constituent authority to assist the work of the JC, then each CA will respect that confidentiality and shall not use or disclose such information without the permission of the authority that provided the information.

11.3 In respect of FOI requests, the AA will ensure that the requirements of the FOI Act 2000 are met in respect of the activities of the JC. In particular the AA will consult the officers of the CA as necessary regarding any potentially contentious enquiries and will then respond to them accordingly on behalf of the JC.

11.4 The JC and the CAs shall at all times abide by the requirements of the Data Protection Act.

11.5 All press releases and public statements to be sent out on behalf of the JC shall be the responsibility of the press office of the administering authority.

12. Promoting Equality, Diversity and Social Inclusion

12.1 All CAs will support and promote the principles of inclusiveness and equality for all through the work of the JC.

13. Extent of obligations and further assurance

13.1 Nothing in this Agreement is to require any of the CA to act in any way that is inconsistent with its obligations or duties as a local authority.

14. Variations of the Agreement

14.1 Subject to the express provisions of this Agreement, no variation of this Agreement will be valid or effective unless agreed by formal resolution of all of the CA.

15. Dispute Resolution / Breach of this Agreement

15.1 In the event of a dispute arising from the interpretation and operation of this Agreement or a breach of this Agreement by any CA or JC member, the matter shall first be considered by the Chief Executives' Advisory Group. The Group shall seek to resolve the matter by discussion and mutual agreement and report to the JC and CA as necessary.

15.2 Where this fails to achieve a resolution, then the JC may give formal consideration to further action. Such action may include:

- (a) A request to a CA to replace a JC member;
- (b) A request to a CA to withdraw from the JC;
- (c) A recommendation to the other CAs for the termination of the participation of a CA.

Julian Gale
Monitoring Officer
Somerset County Council

30.10.17

REPORT TO LICENSING COMMITTEE, EXECUTIVE AND COUNCIL

Date of Meetings: 31 October 2017, 12 December 2017 and 19 December 2017

Report of: Environmental Health and Licensing Manager

Title: Adoption of a new Animal Licensing Policy

Legislation:

- Animal Welfare Act 2006
- Animal Boarding Establishments Act 1963
- Pet Animals Act 1951 and Pet Animals Act 1951 (Amendment) Act 1983
- Riding Establishments Act 1964 and 1970
- Dangerous Wild Animals Act 1976
- Breeding of Dogs Act 1973 and 1991
- Breeding and Sale of Dogs (Welfare) Act 1999
- Zoo Licensing Act 1981

Is this a Key Decision?

No

* One that affects finances over £1m or significantly affects two or more wards. If this is a key decision then the item must be on the appropriate forward plan of key decisions.

Is this an Executive or Council Function?

Council Function

1. What is the report about?

- 1.1 This report details the responses to the consultation undertaken into the proposed animal licensing policy which was presented to the committee at the meeting on 18 July 2017. A full 12 week consultation period has been undertaken. The Licensing Committee is constituted with formulating new statements of licensing policy with the final Animal Licensing Policy going to Full Council for adoption.

2. Recommendations:

- 2.1 The Licensing Committee are requested to approve the Animal Licensing Policy in order that it can be progressed through to full Council for adoption in December 2017.
- 2.2 That Executive supports the introduction of an Animal Licensing Policy.
- 2.3 That Council formally adopts Animal Licensing Policy.

3. Reasons for the recommendation:

- 3.1 Recent years have seen several model licence conditions issued, and the launch of a major DEFRA consultation document on the future of animal licensing. In line with this increased focus on the need to maintain and improve standards of animal welfare, it is therefore proposed to introduce an animal licensing policy for Exeter, which consolidates the requirements for the various animal licences issued by the authority, and incorporates the good practise identified in the Chartered Institute of Environmental Health model

licence conditions for pet vending, dog boarding, cat boarding and dog breeding.

3.2 The Licensing Committee resolved on 18 July 2017 that a public consultation should begin on the proposed new policy. Following the Licensing Committee's decision, the Licensing Team undertook a full 12-week consultation with a wide range of stakeholders who may have an interest in this policy, including existing licence holders, numerous animal welfare charities, and local veterinary groups.

3.3 The authority received comments back in relation to the consultation exercise, which are summarised in Appendix A and presented in full in Appendix B.

4. What are the resource implications including non financial resources.

4.1 The legislative changes and proposed changes to policy do not give rise to any additional resource implications or have any revenue impact.

4.2 There are no reductions, restructuring and/or redundancy implications as the key changes identified in this report do not give rise to any additional resource requirements as changes are to existing processes. However, in delivering to the changed requirements there may be some training implications for existing staff.

4.3 Any future costs in relation to the production of the policy will be met by income from fees.

5. Section 151 Officer Comments:

There are no financial implications contained in this report.

6. What are the legal aspects?

6.1 The Council's licensing team are responsible for licensing a number of animal related businesses. These include kennels and catteries, riding establishments, pet shops, businesses involving the breeding of dogs, the keeping of 'dangerous wild animals' and zoos.

6.2 Although each type of licence is determined by its own legislative background there are similarities in the licensing regime for each. Furthermore the Animal Welfare Act 2006 also consolidates a common approach to all animal related businesses.

6.3 Although not a legal requirement in the same way as with alcohol licensing or the licensing of gambling premises, it is considered good practice and helpful to consolidate the current structures and procedures in relation to animal related licences. The opportunity has also been taken to update all standard conditions consistent with current Codes of Practice and industry standards and, of course acknowledge the current and future impact of the Animal Welfare Act 2006

6.4 As with all policies produced by the Council, it is necessary for it to be reasonable and workable in order to avoid any legal challenge by third parties.

7. Monitoring Officer's comments:

The attached draft Animal Licensing Policy consolidates the Council's requirements in relation to the various animal licences issued by the Council. The draft policy has been subject to consultation and changes have been made to the draft policy in light of those comments where they are relevant and add to the policy.

8. Report details:

- 8.1 This proposed policy sets out the general principles that the Council will follow in relation to the enforcement of animal welfare legislation. The policy also describes the types of animal licensing matters that are likely to occur and how the Council will deal with them.
- 8.2 The proposed policy and the conditions included represent guidance on details of the service provided and the general principles that the Council follows in relation to the enforcement of animal licensing legislation and the discretionary functions it undertakes.
- 8.3 The authority embraces the Department for Business Innovation and Skills' "Regulators Code." The authority embraces the principles of better regulation to promote efficient and effective approaches to regulatory activity without imposing unnecessary burdens on business. The Licensing Authority shall have regard to any plan agreed between a company and primary authority.

9. How does the decision contribute to the Council's Corporate Plan?

- 9.1 The proposed Animal Licensing Policy will contribute to improvements in animal welfare, help promote a healthy and safe city, and lend support to a robust, business friendly economy.

10. What risks are there and how can they be reduced?

- 10.1 There are risks that a poorly drafted policy that is neither proportionate nor reasonable, or is inadequately consulted upon, may give rise to legal challenge. These risks have been minimised by ensuring appropriate consultation has taken place.
- 10.2 The responses received to date have been accepted where they add to the policy. Those responses that may give rise to challenge will be rejected primarily because the proposals are not legal. Due regard has been given to the reasonableness and proportionality of policy tools.
- 10.3 As a result of a consultation response received from Rachel Williams (Senior Parliamentary Advisor RSPCA), the following amendments have been made to the policy:
- Section 5 of the policy has an additional line added (5.3): *Appendix C of the Environment Enforcement Policy provides more specific information on the Council's approach to enforcement of licensing legislation. A link to this document is provided below.*

- Section 12 of the policy has an additional line added (12.12): *The Council takes the view that Primates are not suitable companion animals as their welfare needs are unlikely to be met in a domestic environment. The Council's position is therefore to recommend refusal of any applications for licences to keep or sell primates.*

- 11. What is the impact of the decision on equality and diversity; health and wellbeing; safeguarding children, young people and vulnerable adults, community safety and the environment?**
- 11.1 Formulating a licensing policy that recognises the key aims of the council, responsible authorities and other stakeholders will make a positive impact on creating a vibrant city to live, work and visit.

- 12. Are there any other options?**
- 12.1 Members of the Committee may reject the proposed policy on the grounds that the policy requires amendment. However, significant amendment to the proposed policy would likely require a further consultation period.

Environmental Health and Licensing Manager

Local Government (Access to Information) Act 1972 (as amended)

Background papers used in compiling this report:-

- Draft Animal Licensing Policy
- CIEH Model Licence Conditions and Guidance for Dog Boarding Establishments 2016
- CIEH Model Licence Conditions and Guidance for Cat Boarding Establishments 2013
- CIEH Model Licence Conditions and Guidance for Dog Breeding Establishments 2014
- CIEH Model Conditions for Pet Vending Licensing 2013

Contact for enquires:
Democratic Services (Committees)
Room 2.3
01392 265275

Appendix A - Summary of Responses Received

Ref	Respondent	Comments	Response
01	Mrs A White Exeter	However, having looked through the document I note that dog kennels are only recommended to have appropriate insurance. I would have thought that insurance is absolutely essential and should be checked annually.	The model licence conditions for dog boarding <i>strongly recommends</i> that all proprietors of licenced boarding establishments have appropriate insurance. It is considered that the above wording is sufficient.
02	Ruth Lewin-Titt Exeter	No comments to make as I feel that the policy is kennel related rather than home boarding	This is noted
03	Rachel Williams Senior Parliamentary Advisor RSPCA	<p><u>General comments</u></p> <ul style="list-style-type: none"> - This policy is clear and concise. It is easy for license holders, council officers and the public to understand what the processes and policies around animal licensing activity are. - There are clear policies around inspections, which demonstrate that the policy is enforceable and will be enforced. <ol style="list-style-type: none"> 1. We would like to see a clearer section setting out the procedure by which complaints from members of the public will be addressed, including how these complaints will be assessed in a way which best protects the animals involved and how local authority staff will work with establishments/license holders to make improvements where necessary. 2. This document is perhaps not the most appropriate place to put it, but there needs to be a procedure for training of licensing officers to ensure they can deliver their duties competently and have an understanding of the 	<p>Noted</p> <p>Noted</p> <p>Additional line added to Section 5.3 of the proposed policy (link to Environment Enforcement Policy).</p> <p>Noted – staff competency is dealt with under procedures and is evaluated as part of an annual review process. Annual</p>

		<p>requirements of the Model Licence Conditions (MLCs) and how they dovetail with the Animal Welfare Act 2006. Further training for licensing officers assessing dog breeding establishments should be included on the socialisation and behavioural needs of puppies and dogs. Licensing officers are not expected to be experts in every animal species and behaviour and so a list of experts, for example vets, behaviour experts and animal welfare organisations that can be consulted for advice on specific requirements, should be made available to licensing officers.</p> <p>3. The adoption of the most up to date MLCs, clear procedures for enforcement which include prosecution and the recognition that the authority has the power to set standards above the minimum are all things which you should be congratulated for including. The foregrounding of animal welfare generally in the policy is very heartening to see.</p> <p>4. It would be useful to see a link made within the policy to any work the council is doing to promote other animal welfare services, e.g. neutering and microchipping.</p> <p><u>Specific comments: pet vendors</u></p> <p>5. If possible, the term 'pet vendors' rather than 'pet shops' should be used.</p> <p>6. The policy would be stronger if it made a number of additional specific demands on pet vending licenses, including:</p> <p>a. Ensuring vendors only sell species they are equipped and sufficiently knowledgeable to care for;</p> <p>b. Specifying stocking density;</p> <p>c. Ensuring that new species/groups are not</p>	<p>inspections conducted by officers are in conjunction with an appointed vet who is authorised under delegated powers by the Environmental Health and Licensing Manager.</p> <p>Noted</p> <p>Noted</p> <p>Noted</p> <p>This is assessed in conjunction with our appointed vets</p> <p>As above</p>
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		<p>added without prior consultation and inspection;</p> <p>d. Specifying that vendors must make appropriate care information available free of charge to customers for all species on sale prior to sale;</p> <p>e. Specifying that vendors must have a clear written protocol for a procedure that enables them to be confident that customers are able to meet an animal's welfare needs, and are fully aware of their responsibilities under the Animal Welfare Act 2006.</p> <p>f. Specifying that vendors must have a clear written procedure for ensuring they provide for the needs of animals kept for longer than the expected short, temporary, time-period.</p> <p>g. In addition, we would like to see the policy recognise that primates are not suitable companion animals, as their welfare needs cannot be met in a domestic environment, in the form of the adoption of a policy that recommends primates should not be kept or sold by pet vendors within the local authority area .</p> <p><u>Specific comments: dog breeding establishments</u></p> <p>7. The policy would be stronger if it made a number of additional specific demands on dog breeding establishment licenses, including:</p> <p>a. Specifying that vendors must make appropriate care information available free of charge to customers for all species on sale prior to sale;</p> <p>b. Specifying that vendors must have a clear written protocol for a procedure that enables them to be confident that customers are able to meet an animal's welfare needs, and are fully aware of their responsibilities under the Animal</p>	<p>This is already adequately addressed within the model licence conditions</p> <p>As above</p> <p>This is considered to be outside the scope of the proposed policy.</p> <p>Noted</p> <p>Policy amended in line with comments (see 12.12 of the Policy (outlined above)).</p> <p>This is already covered in the Model Licence Conditions</p> <p>This is considered good practise, and encouraged, but is not within the scope of the proposed</p>
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		Welfare Act 2006.	policy.
04	Paula Boyden Veterinary Director Dogs Trust	Supportive of policy which is welcome groundwork ahead of the repeal of the older legislation governing this area. The remainder of the letter sets out the expected changes to be brought in via proposed new legislation due to be brought forward in October 2018.	Noted

Appendix B - Responses received

From: Angela White [REDACTED]
Sent: 28 July 2017 10:34
To: Licensing Team <licensing.team@exeter.gcsx.gov.uk>
Subject: Draft animal licensing policy

In response to your request for comments about the proposed policy documents, I do not really feel qualified to comment because I only home board a maximum of two dogs at any time.

However, having looked through the document I note that dog kennels are only recommended to have appropriate insurance. I would have thought that insurance is absolutely essential and should be checked annually.

As a matter of interest, when my home is inspected for the annual licence, it seems to be a waste of the inspector's time (& thus the Council's finances) to go through the entire check list as set out for boarding kennels. I don't know how many other homes have to be inspected - is it not possible to have a reduced list of tick boxes, or even visit every 2 years instead of annually?

I hope these comments have been of use.
Angela White

Mrs A White
[REDACTED]

From: Ruth Lewin-Titt [REDACTED]
Sent: 29 August 2017 17:59
To: Licensing Team <licensing.team@exeter.gcsx.gov.uk>
Subject: Consultation on Exeter City Council's Draft Animal Licensing Policy

Dear Simon.

Thank you for your letter dated 19th July 2017 and for including me in your Draft Animal Licensing Policy Consultation. I have no comments to make as I feel that the policy is kennel related rather than home boarding.

Kind regards,

Ruth Lewin-Titt.

From: Rachel Williams [REDACTED]
Sent: 05 October 2017 11:51
To: Licensing Team <licensing.team@exeter.gcsx.gov.uk>
Subject: Response to animal licensing consultation

Dear Sir/Madam,

Thank you for including us in the consultation on your new animal licensing policy. Please find attached our response.

Additionally, I wanted to make you aware that the RSPCA includes an award for animal activity licensing in our annual [Community Animal Welfare Footprint](#) awards for local authorities. The awards for 2017 have closed but will open again for 2018 in the spring. If you are able to make (some of) the amendments suggested in our response to your consultation - particularly the more process driven ones around staff training, complaints and having a list of experts available to officers contained in the 'general comments' section - you would be eligible for at least a bronze award under the scheme. I will add you to my contact list for when the awards open for entries next year in case you do wish to enter.

If there's any more help I can give on this issue please do let me know.

Kind regards,
Rachel

--

Rachel Williams
Senior Parliamentary Advisor
RSPCA

General comments

- This policy is clear and concise. It is easy for license holders, council officers and the public to understand what the processes and policies around animal licensing activity are.
- There are clear policies around inspections, which demonstrate that the policy is enforceable and will be enforced.
- We would like to see a clearer section setting out the procedure by which complaints from members of the public will be addressed, including how these complaints will be assessed in a way which best protects the animals involved and how local authority staff will work with establishments/license holders to make improvements where necessary.
- This document is perhaps not the most appropriate place to put it, but there needs to be a procedure for training of licensing officers to ensure they can deliver their duties competently and have an understanding of the requirements of the Model Licence Conditions (MLCs) and how they dovetail with the Animal Welfare Act 2006. Further training for licensing officers assessing dog breeding establishments should be included on the socialisation and behavioural needs of puppies and dogs. Licensing officers are not expected to be experts in every animal species and behaviour and so

a list of experts, for example vets, behaviour experts and animal welfare organisations that can be consulted for advice on specific requirements, should be made available to licensing officers.

- The adoption of the most up to date MLCs, clear procedures for enforcement which include prosecution and the recognition that the authority has the power to set standards above the minimum are all things which you should be congratulated for including. The foregrounding of animal welfare generally in the policy is very heartening to see.
- It would be useful to see a link made within the policy to any work the council is doing to promote other animal welfare services, eg neutering and microchipping.

Specific comments: pet vendors

8. If possible, the term 'pet vendors' rather than 'pet shops' should be used.
9. The policy would be stronger if it made a number of additional specific demands on pet vending licenses, including:
 - a. Ensuring vendors only sell species they are equipped and sufficiently knowledgeable to care for;
 - b. Specifying stocking density;
 - c. Ensuring that new species/groups are not added without prior consultation and inspection;
 - d. Specifying that vendors must make appropriate care information available free of charge to customers for all species on sale prior to sale;
 - e. Specifying that vendors must have a clear written protocol for a procedure that enables them to be confident that customers are able to meet an animal's welfare needs, and are fully aware of their responsibilities under the Animal Welfare Act 2006.
 - f. Specifying that vendors must have a clear written procedure for ensuring they provide for the needs of animals kept for longer than the expected short, temporary, time-period.
10. In addition, we would like to see the policy recognise that primates are not suitable companion animals, as their welfare needs cannot be met in a domestic environment, in the form of the adoption of a policy that recommends primates should not be kept or sold by pet vendors within the local authority area .

Specific comments: dog breeding establishments

11. The policy would be stronger if it made a number of additional specific demands on dog breeding establishment licenses, including:
 - a. Specifying that vendors must make appropriate care information available free of charge to customers for all species on sale prior to sale;
 - b. Specifying that vendors must have a clear written protocol for a procedure that enables them to be confident that customers are able to meet an animal's welfare needs, and are fully aware of their responsibilities under the Animal Welfare Act 2006.

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Exeter
City Council

Animal Welfare Act 2006
Animal Boarding Establishments Act 1963
Pet Animals Act 1951 and Pet Animals Act 1951 (Amendment)
Act 1983
Riding Establishments Act 1964 and 1970
Dangerous Wild Animals Act 1976
Breeding of Dogs Act 1973 and 1991
Breeding and Sale of Dogs (Welfare) Act 1999
Zoo Licensing Act 1981

Animal Licensing Policy

Environmental Health & Licensing Manager
Civic Centre
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licensing@exeter.gov.uk



www.exeter.gov.uk/licensing

Issue Date:

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Section 1 – Purpose

- 1.1. Exeter City Council (the Council) has statutory responsibilities for the licensing of a number of activities relating to the welfare of animals under a number of different Acts of Parliament. This legislation is aimed at protecting animals and makes it an offence for any person to possess, own or keep animals in order to carry out certain businesses, or have possession of certain animals within Exeter, without first being licensed by the Council.

Section 2 – Scope of Policy

- 2.1 This policy sets out the general principles that the Council will follow in relation to the enforcement of animal welfare legislation. The Policy describes the types of animal licensing matters that are likely to occur and how the Council will deal with them.
- 2.2 This Policy and the conditions included represent guidance on details of the service provided and the general principles that the Council follows in relation to the enforcement of animal licensing legislation and the discretionary functions it undertakes.
- 2.3 Animal licensing related matters included within the scope of this policy are the licensing regulation and enforcement of licence conditions in respect of:
 - Animal boarding establishment licences
 - Horse riding establishment licences
 - Pet shop licences
 - Dangerous wild animal licences
 - Dog breeding establishment licences
 - Zoo licences
- 2.4 The above licences are regulated by the Council under the following Acts:
 - Animal Welfare Act 2006
 - Animal Boarding Establishments Act 1963
 - Pet Animals Act 1951 and Pet Animals Act 1951 (Amendment) Act 1983
 - Riding Establishments Act 1964 and 1970
 - Dangerous Wild Animals Act 1976
 - Breeding of Dogs Act 1973 and 1991
 - Breeding and Sale of Dogs (Welfare) Act 1999
 - Zoo Licensing Act 1981
- 2.5 These Acts are referred to in this policy as the “primary licensing Acts.” It should also be noted that the Performing of Animals (Regulation) Act 1925 is the responsibility of the Leicestershire County Council who maintain a register of animals involved in performances. Queries about animal performances should therefore be directed to them.

Section 3 – Animal Welfare Act

- 3.1 The Animal Welfare Act 2006 (“the Act”) consolidated and updated a range of previous legislation to promote the welfare of animals. This Act is the primary piece of legislation controlling animal welfare in England and Wales and established set welfare standards that must be maintained by all people who are responsible for an animal. The Act also places responsibilities on to numerous enforcement agencies, including this Council.
- 3.2 The Act introduces a ‘duty of care’ on any person that is responsible for an animal to ensure that the needs of that animal are met. A person does not have to be the owner of the animal for the ‘duty of care’ to apply.
- 3.3 The Act creates an offence of failing to provide for the needs of an animal in a persons care and increases the penalties for animal abuse allowing the courts to disqualify a person from being in charge of animals. Any person disqualified under the Act will also be disqualified from holding a licence under any of the primary licensing Acts.
- 3.4 The Act permits the Department for the Environment, Food and Rural Affairs (DEFRA) to pass regulations that may repeal or amend any of the primary licensing Acts or create new forms of licences. DEFRA have not presently decided to pass any further regulations but this policy shall be reviewed and updated as soon as possible should DEFRA do so.
- 3.5 Section 9 of the Animal Welfare Act 2006 creates five overarching principles of animal welfare. The Act refers to these as the ‘five needs’ of all animals. It is the duty of any person responsible for an animal to ensure that each of these five needs are met.
- 3.6 The ‘five needs’ are:
- The need for a suitable environment;
 - The need for a suitable diet;
 - The need to be able to exhibit normal behaviour patterns;
 - Any need to be housed with, or apart from, other animals; and
 - The need to be protected from pain, suffering, injury and disease.

Section 4 – Aims of the Policy

- 4.1. This Policy will ensure that the Council carries out its animal licensing responsibilities in a fair, equitable and consistent manner.
- 4.2 It will help ensure that the public, councillors and those engaged in animal licensing activities understand what the law requires and how the Council will approach its enforcement duties.

Section 5 – Enforcement of the Policy

- 5.1 The Council will seek to ensure compliance with the legislation and will carry out its duty in an appropriate manner according to the following principles
- seek to achieve compliance in a fair, consistent, proportional, transparent and targeted manner;
 - seek to assist businesses and others in meeting their legal obligations through education and advice, and aim to be clear, open and helpful in its approach to enforcement;
 - focus on prevention rather than cure;
 - seek to target enforcement resources at areas of highest risk, including non-compliant businesses and individuals;
 - take firm action against those who knowingly contravene the law or act irresponsibly;
 - where appropriate work jointly with other regulatory or enforcement agencies to solve problems. Such bodies include the Police, RSPCA and Trading Standards.
- 5.2 Enforcement will be carried out in a firm and fair way. There are four principles that support this:
- a) **Proportionality:** this means relating enforcement activity to risk. When the law requires that risks should be controlled so far as is reasonably practicable the cost of the remedy as well as the degree of risk will be taken into account. In some cases there are specific requirements in the law to take account of the cost of the remedy.
 - b) **Consistency:** this does not mean uniformity of approach but rather that a similar approach is taken in similar circumstances to achieve similar ends. Officers will take account of many variables including; the scale of impact, the attitude and actions of management and the history of previous incidents or breaches. Decisions on enforcement action are a matter of professional judgment. Arrangements to deliver consistency are in place including supervised quality monitoring visits, agreed protocols between the district councils throughout Devon and arrangements for auditing of activity by officers from other authorities in Devon.
 - c) **Transparency:** this is important to maintain public confidence in the Council's ability to regulate. It means helping those regulated, and others, to understand what is expected of them and what they should expect from the Council. It also means making it clear why the Council intends to, or has taken, enforcement action. The Council will clearly distinguish between legal requirements and advice or guidance about what is desirable but not compulsory. A person having a legal duty will be advised of the rights of officers and the level of service that can be expected. All information and advice issued will be in plain language and the Council will provide information in a format that is available to the recipient.
 - d) **Targeted:** this means making sure that inspections or actions are directed primarily to those activities which give rise to the most serious risks or where hazards are least well controlled. Routine inspections of businesses are prioritised according to an

assessment of the risk they pose. The Council's policies provide a framework for assessing priority in non-planned areas of activity such as setting response times to complaints.

Section 6 – What the Council will do?

- 6.1 The primary licensing Acts set out individual application requirements and standards that the Council must be satisfied of before it can grant a licence. Each of those primary Licensing Acts permits the Council to impose conditions on each licence it grants.
- 6.2 The purpose of requiring a licence is primarily to ensure the welfare of the animals. When considering applications and in undertaking enforcement duties the Council will have regard to its own Animal Licensing Objectives set out in this Policy.
- 6.3 The Council will inspect premises in accordance with legislative requirements, veterinary advice and any statutory codes of practice before issuing or renewing a licence.
- 6.4 Where appropriate, inspections will be carried out with a qualified vet. Each licence has conditions attached to it and should be renewed in accordance with legislative requirements. Where inspections identify areas of concern which cannot be addressed by the licence conditions, officers will consider the use of the Animal Welfare Act 2006 and / or liaise with other organisations such as the RSPCA.
- 6.5 The Council will investigate reports and intelligence relating to unlicensed establishments and/or breaches of conditions, respond to any issues, and when necessary take enforcement action. All enforcement action will be taken in accordance with the Office of the Assistant Director Environment's Enforcement Policy.

Section 7 – Policy Application

- 7.1 When carrying out its functions under the primary licensing Acts the Council will seek to promote the following objectives:
 - Animal Welfare (the five needs)
 - Public safety
 - Integration with other relevant strategies and legal requirements
 - Positive relations with licence holders and proportionate regulation
- 7.2 In addition to the danger to the welfare of animals by unlicensed or irresponsible animal owners there is also a danger that may arise to members of the public. For instance the effect of diseases affecting animals, or harmful bacteria stemming from poor hygiene could spread and affect other members of the public and their animals. Additionally licence holders that permit members of the public onto their premises have a duty to ensure that they do not put them at risk of illness or injury. Public safety will therefore be a paramount consideration by the Council at all times.
- 7.3 There are a number of different areas that may affect or be affected by licence holders or potential licence holders under the primary licensing Acts and where necessary these will

be considered by the Council in carrying out its functions under the Animal Welfare Act 2006.

- 7.4 In addition to being licensed to carry out certain activities a licence holder and their premises may need to comply with other legislation such as planning and building regulations. Where the appropriate permissions or consents are not in place, or where they are being breached, the Council may take enforcement action which could lead the closure of such premises. The subsequent effect on the welfare of the animal(s) could be damaging.
- 7.5 Therefore, the Council will not grant a licence where the appropriate planning permissions or building control consents are not in place or may revoke a licence where such legislation, regulation or conditions are breached.
- 7.6 Under Section 17 of the Crime and Disorder Act 1998, local authorities must have regard to the likely effect of the exercise of their functions on, and do all that they can to prevent, crime and disorder in their area. The Council may therefore consider the implication of an application or existing licence in the context of local crime and disorder in the area.
- 7.7 This Policy should be read in conjunction with, and without prejudice to, other existing National and European Union legislation, such as the Human Rights Act 1998 and the Equality Act 2010.
- 7.8 Each licence type has its own application process and requirements that the Council need to take into consideration before granting a licence. Details on how to apply for a licence are contained in the relevant appendices attached to this policy.
- 7.9 Each of the primary licensing Acts states clearly the criteria which the Council must be satisfied of before any licence is granted. Where the relevant licensing officer is not satisfied that the relevant legal requirements are met, or where an Environmental Health Officer of the Council or Veterinary Surgeon has raised concerns that the legal requirements or standards are not met or unlikely to be met, the applicant for the licence will be notified.
- 7.10 The applicant will have the opportunity to address these matters in the hope of satisfying the relevant criteria.
- 7.11 If the relevant Licensing Officer feels that the application should be refused they will submit a report to a Licensing Sub Committee to determine the matter.
- 7.12 Each of the primary licensing Acts allows the Council to attach conditions to the licences it grants.
- 7.13 Within the relevant appendix for each licence type are standard or model conditions which will ordinarily be imposed on that licence type. These conditions are based on the relevant national standards devised by various bodies such as the Chartered Institute of Environmental Health. However these conditions may be varied by the Council to suit the individual merits of an application.

Section 8 – Animal Boarding Establishments

- 8.1 Anyone boarding cats or dogs for financial gain must be licensed by the Council under the provisions of the Animal Boarding Establishments Act 1963. Officers inspect these premises to ensure compliance with licence conditions and, in particular, that the animals are in satisfactory accommodation and are properly cared for.
- 8.2 Establishments where the boarding of animals is being carried on as a business are subject to the 1963 Act, which requires such premises to be licensed by the local authority. For the purpose of this Act the keeping of such establishments is defined as the carrying on at any premises, including a private dwelling, of a business of providing accommodation for other people's cats and dogs. Boarding dogs at another person's home may require a licence, if payment is received and this occurs regularly, as do day care facilities, whether in a person's home or purpose built unit.
- 8.3 DEFRA has stated that the home boarding of cats should be discouraged and the Council supports that view.
- 8.4 The licence is granted at the discretion of the local authority which may take into account the suitability of the accommodation and whether the animals are well fed, exercised and protected from disease and fire. It is an annual licence which expires on 31 December each year, regardless of when it is issued.
- 8.5 An application for a licence must be made to the Council on its application form. The application form is available from the Council's website.
- 8.6 At the time of making the application the applicant must pay to the Council the application fee. The Council will then arrange an inspection with a vet. The purpose of the Council instructing the vet is to avoid any conflict of interest that may arise between the vet and the applicant.
- 8.7 An Environmental Health Officer and Licensing Officer of the Council may also visit the premises, either together, separately or with the Vet to assess the arrangements in place, the suitability of the premises and the individual licence holder.
- 8.8 Before granting a licence the Council must be satisfied:
- That the animals will be kept in suitable accommodation at all times. Suitable accommodation takes into account the construction and size of the accommodation, the number of animals to be housed in it, facilities for exercising the animals, cleanliness and temperature, lighting and ventilation provisions.
 - That suitable food, drink and bedding materials will be provided and that the animals are exercised and visited regularly.
 - That all reasonable precautions will be taken to prevent and control the spread of disease among the animals and that isolation facilities are in place.
 - That adequate protection is provided to the animals in the case of fire and other emergencies.
 - That a register is kept. The register should contain a description of all animals received, their arrival and departure date and the name and address of the owner. The register should be available to be inspected at any time by a local authority officer, veterinary surgeon or practitioner.

- 8.9 If the Council are satisfied that the requirements of the Animal Boarding Establishments Act 1963 are met, and there are no other concerns about the welfare of animals or the objectives of this policy being undermined, the licence will be granted.
- 8.10 The Council may attach any condition to the licence that it feels are necessary and expedient for securing the objectives above.
- 8.11 Officers of the Council may inspect the licensed premises at all reasonable times. If the Council have any concerns about the welfare of the animals kept under this licence it may request that a vet conducts a further visit to ascertain if the measures in place are acceptable which would be chargeable to the licence holder.
- 8.12 If a licence holder is not complying with their licence conditions the Council may take appropriate enforcement action. This may be to advise them that they no longer meet the licensing requirements and must cease the licensable activity or to prosecute them. The Council has the power to prosecute under the Animal Boarding Establishments Act 1963 and the Animal Welfare Act 2006.
- 8.13 The Council has adopted the Chartered Institute of Environmental Health “Model Licence Conditions and Guidance for Dog Boarding Establishments 2016”. The model conditions are split into a number of schedules including conditions relating to environment, diet, behaviour, company, and health & welfare. These conditions will be applied to each dog boarding licence issued. Applicants will also be referred to Annex C of the model conditions “Emergency Evacuation Plan”, and Officers will refer to Annex D “Kennel Unit/ Run Sizes” when assessing new licence applications.
- 8.14 The Council has also adopted the Chartered Institute of Environmental Health “Model Licence Conditions and Guidance for Cat Boarding Establishments 2013”. The model conditions are split into a number of schedules including conditions relating to environment, diet, behaviour, company, and health & welfare. These conditions will be applied to each cat boarding licence issued. Applicants will also be referred to Annex B of the model conditions “Emergency Evacuation Plan”.

Section 9 – Riding Establishments

- 9.1 The Council licenses all riding schools under the provisions of the Riding Establishments Act 1964 and 1970 in order to ensure the suitability of the person in charge to undertake such a business.
- 9.2 The Act defines the keeping of a riding establishment as:
- The carrying on of a business of keeping horses for either the purpose of their being let out on hire for riding and/or the purpose of their being used in providing, in return for payment, instruction in riding.*
- 9.3 The licence is granted at the discretion of the local authority which may take into account the suitability of the accommodation and whether the animals are well fed, exercised and protected from disease and fire. It is an annual licence which expires on 31 December each year, regardless of when it is issued.
- 9.4 An application for a licence must be made to the Council on its application form. The application form is available from the Council's website.
- 9.5 At the time of making the application the applicant must pay to the Council the application fee. The Council will then arrange an inspection with a vet. The purpose of the Council instructing the vet is to avoid any conflict of interest that may arise between the vet and the applicant.
- 9.6 An Environmental Health Officer and Licensing Officer of the Council may also visit the premises, either together, separately or with the Vet to assess the arrangements in place, the suitability of the premises and the individual licence holder.
- 9.7 Additionally the Council will ensure that all employees and workers at the premises are adequately trained in all appropriate aspects of animal welfare. Suitably qualified vets are appointed to inspect all animals used in the business to ensure that the horses are fit and healthy and suitable for use and are adequately cared for.
- 9.8 The vet will also ensure that the tack, riding equipment and stalls used for the stabling of animals is fit for purpose, safe and the stalls for horses are a suitable size.
- 9.9 In determining whether to grant a licence for a riding establishment, the Council shall consider compliance with the following matters along with the model conditions:
- a) whether that person appears to them to be suitable and qualified, either by experience in the management of horses or by being the holder of an approved certificate or by employing in the management of the riding establishment a person so qualified to be the holder of such a licence; and
 - b) the need for securing:
 - i. that paramount consideration will be given to the condition of the horses and that they will be maintained in good health, and in all respects physically fit and that, in the case of a horse kept for the purpose of its being let out on hire for riding or a horse kept for the purpose of its being used in providing instruction in riding, the horse will be suitable for the purpose for which it is kept;
 - ii. that the feet of all animals are properly trimmed and that, if shod, their shoes are properly fitted and in good condition;

- iii. that there will be available at all times, accommodation for horses suitable as respects construction, size, number of occupants, lighting, ventilation, drainage and cleanliness and that these requirements be complied with not only in the case of new buildings but also in the case of buildings converted for use as stabling.
- iv. that in the case of horses maintained at grass there will be available for them at all times during which they are so maintained adequate pasture and shelter and water and that supplementary feeds will be provided as and when required;
- v. that horses will be adequately supplied with suitable food, drink and (except in the case of horses maintained at grass, so long as they are so maintained) bedding material, and will be adequately exercised, groomed and rested and visited at suitable intervals;
- vi. that all reasonable precautions will be taken to prevent and control the spread among horses of infectious or contagious disease and that veterinary first-aid equipment and medicines shall be provided and maintained in the premises;
- vii. that appropriate steps will be taken for the protection and extrication of horses in case of fire and, in particular, that the name, address and telephone number of the licence holder or some other responsible person will be kept displayed in a prominent position in the outside of the premises and that instructions as to action to be taken in the event of fire, with particular regard to the extrication of horses, will be kept displayed in a prominent position on the outside of the premises;
- viii. that adequate accommodation will be provided for forage, bedding, stable equipment and saddlery.

- 9.10 With the exception of those detailed below, any riding establishment that does not sufficiently meet the Council's licensing conditions will not be granted a licence.
- 9.11 Where the Licensing Authority is not satisfied that the establishment complies with the relevant legislation and conditions at a riding establishment, it may refuse the licence application.
- 9.12 The applicant will be informed in writing of the reasons for the refusal and of their right to appeal the decision to the Magistrates Court. Any decision to refuse a licence will be evidence-based and fully documented.
- 9.13 The Licensing Authority may use a Temporary Licence where it is satisfied that it would not be justified in issuing a full licence. A Temporary Licence lasts for 3 months from the date at which they are granted. The 3 month period can be extended to 6 months but cannot be used for more than 6 months in any one year.
- 9.14 Officers of the Council may inspect the licensed premises at all reasonable times. If the Council have any concerns about the welfare of the animals kept under this licence it may request that a vet conducts a further visit to ascertain if the measures in place are acceptable which would be chargeable to the licence holder.
- 9.15 If a licence holder is not complying with their licence conditions the Council may take appropriate enforcement action. This may be to advise them that they no longer meet the licensing requirements and must cease the licensable activity or to prosecute them. The Council has the power to prosecute under the Pet Animals Act 1951 (as amended) and the Animal Welfare Act 2006.

Section 10 – Dog Breeding Establishments

- 10.1 These activities are controlled by the Breeding and Sales of Dogs (Welfare) Act 1999, which amended and extended the provisions of the Breeding of Dogs Act 1973.
- 10.2 A person keeps a breeding establishment for dogs if, at any premises, he or she carries on the business of breeding dogs for sale, whether or not the breeding is done by him or her.
- 10.3 Any person who keeps an establishment for the breeding of dogs commits an offence if they do so without the requisite licence from the Council.
- 10.4 The Breeding of Dogs Act 1973 (as amended), in conjunction with the Breeding of Dogs Act 1991 (as amended) and the Breeding and Sale of Dogs (Welfare) Act 1999 (as amended), governs the activities of dog breeders.
- 10.5 A person will not be treated as running a breeding establishment if they sell the offspring of any bitch kept by them at their premises, provided that the number of litters sold by them does not, when taken with any other litter produced by a bitch kept by that person, a relative of that person or at the same premises, exceed more than three in any one year.
- 10.6 Breeding records must be kept to ensure that these requirements are adhered to. Puppies that are produced at licensed breeding establishments can only be sold at those premises or a licensed pet shop.
- 10.7 Presently only the breeding of dogs requires a licence and not any other animal. However the breeding of any animal for sale may result in the breeder falling within the definition of a pet shop.
- 10.8 An application for a Dog Breeding Establishment licence must be made to the Council on its application form. The application form is available from the Council's website.
- 10.9 At the time of making the application the applicant must pay to the Council the application fee. The Council will then arrange an inspection with a vet. The purpose of the Council instructing the vet is to avoid any conflict of interest that may arise between the vet and the applicant.
- 10.10 An Environmental Health Officer and Licensing Officer of the Council may also visit the premises, either together, separately or with the Vet to assess the arrangements in place, the suitability of the premises and the individual licence holder.
- 10.11 Before granting a licence the Council must be satisfied:
 - a) that dogs will at all times be kept in accommodation suitable as respects construction, size of quarters, number of occupants, exercising facilities, temperature, lighting, ventilation and cleanliness;
 - b) that the dogs will be adequately supplied with suitable food, drink and bedding material, adequately exercised and visited at suitable intervals;
 - c) that all reasonable precautions will be taken to prevent and control the spread among dogs of infectious or contagious diseases;
 - d) that appropriate steps will be taken for the protection of the dogs in the case of fire or other emergency;

- e) that all appropriate steps will be taken to ensure that dogs will be provided with suitable food, drink and bedding material and adequately exercised when being transported to or from the breeding establishment.
- f) that bitches are not mated if they are less than one year old
- g) that bitches do not give birth to more than six litters each.
- h) that bitches do not give birth to puppies before the end of the period of 12 months beginning with the day on which they last gave birth to puppies
- i) that accurate records are kept at the premises and made available for inspection for any authorised officer of the local authority to examine. The particular records to be kept are listed in the Breeding of Dogs (Licensing Records) Regulations 1999 (section 1(4)).

10.12 Any licence granted will expire on December 31 of the year in which it is granted.

10.13 Officers of the Council may inspect the licensed premises at all reasonable times. If the Council have any concerns about the welfare of the animals kept under this licence it may request that a vet conducts a further visit to ascertain if the measures in place are acceptable which would be chargeable to the licence holder.

10.14 If a licence holder is not complying with their licence conditions the Council may take appropriate enforcement action. This may be to advise them that they no longer meet the licensing requirements and must cease the licensable activity or to prosecute them. The Council has the power to prosecute under the Breeding and Sales of Dogs (Welfare) Act 1999 and the Animal Welfare Act 2006.

10.15 The Council has adopted the Chartered Institute of Environmental Health "Model Licence Conditions and Guidance for Dog Breeding Establishments". The model conditions are split into a number of schedules including conditions relating to accommodation, management Etc. These conditions will be applied to each dog breeding licence issued.

Section 11 - Dangerous Wild Animals

- 11.1 Anyone who keeps an animal scheduled as a dangerous wild animal must be licensed under the Dangerous Wild Animals Act 1976.
- 11.2 The Dangerous Wild Animals Act (DWA) of 1976 aims to ensure that where private individuals keep dangerous wild animals they do so in circumstances which create no risk to the public and, to a lesser extent, safeguard the welfare of the animals.
- 11.2 When applications for a licence are received, the Council seeks the appropriate advice of veterinary and/or other professionals to ensure that any special needs of the animal are fulfilled and the applicant is a suitable person to hold such a licence. The Council must also be satisfied that it would not be contrary to public interest on the grounds of safety or nuisance
- 11.3 Special needs in this context mean the suitability of accommodation, heating, lighting and appropriate foodstuffs for the species identified in the application.
- 11.4 An application for a Dangerous Wild Animal licence must be made to the Council on its application form. The application form is available from the Councils website.
- 11.5 At the time of making the application the applicant must pay to the Council the application fee. The Council will then arrange an inspection with a vet. The purpose of the Council instructing the vet is to avoid any conflict of interest that may arise between the vet and the applicant.
- 11.6 An Environmental Health Officer and Licensing Officer of the Council may also visit the premises, either together, separately or with the Vet to assess the arrangements in place, the suitability of the premises and the individual licence holder.
- 11.7 Before granting a licence the Council must be satisfied:
- that the animal will be kept only by a person or persons named on the licence;
 - that restrictions will be adhered to on the movement of the animal from the premises as specified on the licence; and
 - that the licence holder has a current insurance policy which insures both licence holders and others against any liability caused by the animal.
 - It is not contrary to the public interest on the grounds of safety, nuisance or otherwise to grant the licence;
 - The applicant for the licence is a suitable person to hold a licence under The Dangerous Wild Animals Act 1976 (as amended);
 - Any animal concerned will at all times of its being kept only under the authority of the licence—
 - be held in accommodation which secures that the animal will not escape, which is suitable as regards construction, size, temperature, lighting, ventilation, drainage and cleanliness and which is suitable for the number of animals proposed to be held in the accommodation, and
 - be supplied with adequate and suitable food, drink and bedding material and be visited at suitable intervals;
 - Appropriate steps will at all such times be taken for the protection of any animal concerned in case of fire or other emergency;
 - All reasonable precautions will be taken at all such times to prevent and control the spread of infectious diseases;

- While any animal concerned is at the premises where it will normally be held, its accommodation is such that it can take adequate exercise.

11.8 The licensing procedure does not apply to animals kept in:

- A zoo within the meaning of the Zoo Licensing Act 1981;
- A circus;
- Pet shops; and
- Places which are designated establishments under the Animal (Scientific Procedures) Act 1986.

11.9 A person is held to be the keeper of the animal if they have it in their possession. The assumption of possession continues even if the animal escapes or it is being transported. This removes the need for carriers or veterinary surgeons to be licensed.

11.10 Any licence granted will expire on December 31 of the year in which it is granted.

11.11 Officers of the Council may inspect the licensed premises at all reasonable times. If the Council have any concerns about the welfare of the animals kept under this licence it may request that a vet conducts a further visit to ascertain if the measures in place are acceptable which would be chargeable to the licence holder.

11.12 If a licence holder is not complying with their licence conditions the Council may take appropriate enforcement action. This may be to advise them that they no longer meet the licensing requirements and must cease the licensable activity or to prosecute them. The Council has the power to prosecute under the Dangerous Wild Animals Act 1976 (as amended) and the Animal Welfare Act 2006.

Section 12 – Pet Shops

- 12.1 Under the Pet Animals Act 1951 (as amended), a licence is required where any person keeps animals at a premises for the purpose of being sold as pets. A licence is required even if the premises are not open to members of the public.
- 12.2 The Pet Animals Act 1951 (as amended) forbids the sale of animals as pets in any part of a street or public place or at a stall or barrow in a market.
- 12.3 The Pet Animals Act 1951 (as amended) exempts persons who sell the offspring of animal they own as a pet from requiring a licence as well as those who breed from a pedigree animal kept by them. However these exemptions are strict and with certain conditions. The onus is on any person who believes they are exempt from holding a licence to check this with the Licensing Team
- 12.4 An application for a Pet Shop licence must be made to the Council on its application form. The application form is available from the Councils website.
- 12.5 At the time of making the application the applicant must pay to the Council the application fee. The Council will then arrange an inspection with a vet. The purpose of the Council instructing the vet is to avoid any conflict of interest that may arise between the vet and the applicant.
- 12.6 An Environmental Health Officer and Licensing Officer of the Council may also visit the premises, either together, separately or with the Vet to assess the arrangements in place, the suitability of the premises and the individual licence holder.
- 12.7 Before granting a licence the Council must be satisfied:
- That the animals are kept in accommodation that is suitable as respects size, temperature, lighting, ventilation and cleanliness;
 - That animals are adequately supplied with appropriate food and drink and (so far as necessary) visited at suitable intervals;
 - That animals, being mammals, will not be sold at too early an age;
 - That all reasonable precautions will be taken to prevent the spread among animals of infectious diseases;
 - That appropriate steps will be taken in case of fire or other emergency.
 - If the Council are satisfied that the requirements of the Pet Animals Act 1951 (as amended) are met, and there are no other concerns about the welfare of animals or the objectives of this policy being undermined, the licence will be granted.
 - The Council may attach any condition to the licence that it feels necessary and expedient for securing the objectives above.
- 12.8 Any licence granted will expire on December 31 of the year in which it is granted.
- 12.9 Officers of the Council may inspect the licensed premises at all reasonable times. If the Council have any concerns about the welfare of the animals kept under this licence it may request that a vet conducts a further visit to ascertain if the measures in place are acceptable which would be chargeable to the licence holder.
- 12.10 If a licence holder is not complying with their licence conditions the Council may take appropriate enforcement action. This may be to advise them that they no longer meet the licensing requirements and must cease the licensable activity or to prosecute them. The

Council has the power to prosecute under the Pet Animals Act 1951 (as amended) and the Animal Welfare Act 2006.

- 12.11 The Council has adopted the Chartered Institute of Environmental Health “Model Conditions for Pet vending Licensing 2013”. The model conditions are split into a number of schedules including a general conditions schedule applicable to all Pet Shop licences (Schedule A), and also specific schedules for different types of animals. The remaining schedules (B to I), will be applied to the licence on a case by case basis depending on the types of animals kept.

Section 13 – Fees and Charges

- 13.1 The Assistant Director Environment will arrange for the setting of Animal Welfare Licensing fees through the Council and will annually review the fee structure.

Section 14 - General

- 14.1 This policy will be the subject of periodic monitoring and review and will be applied in a manner which is consistent with the Council's equalities and diversity policies. The statement must also be reviewed from "time to time" and any amended parts re-consulted upon. The revised statement must be then re-published.
- 14.2 Before publishing this policy the Council consulted widely upon this statement before finalising and publishing.
- 14.3 The consultation included:
- The Chief Officer of Police;
 - Those current licensed by the Council
 - Those who appear to the authority to represent the interests of persons carrying on animal licensing businesses in the authority's area;
 - Devon County Council Trading Standards;
 - Devon and Somerset Fire and Rescue Service
 - Environmental Health
 - Veterinary Surgeons
- 14.4 The full list of comments made and the consideration by the Council of those comments will then be published with the final version of the policy which needs to be approved at a meeting of the Full Council.
- 14.5 Any comments relating to this policy statement please should be submitted to the Licensing Authority via e-mail or letter to the following contact:

Environmental Health and Licensing Manager, Licensing Team, Civic Centre Paris Street
Exeter EX1 1RQ E-mail: licensing.team@exeter.gov.uk

Appendix A – Standard Conditions for Animal Boarding Establishment Licence

- A.1 A copy of the licence must be suitably displayed to the public in a prominent position in the boarding establishment.
- A.2 The Council has adopted the Chartered Institute of Environmental Health “Model Licence Conditions and Guidance for Dog Boarding Establishments 2016”. The model conditions are split into a number of schedules including conditions relating to environment, diet, behaviour, company, and health & welfare. These conditions will be applied to each dog boarding licence issued. Applicants will also be referred to Annex C of the model conditions “Emergency Evacuation Plan”, and Officers will refer to Annex D “Kennel Unit/ Run Sizes” when assessing new licence applications.

A free copy of the model conditions can be downloaded via the link below:

<http://www.cieh.org/policy/dog-guidance-2016.html>

The Council has also adopted the Chartered Institute of Environmental Health “Model Licence Conditions and Guidance for Cat Boarding Establishments 2013”. The model conditions are split into a number of schedules including conditions relating to environment, diet, behaviour, company, and health & welfare. These conditions will be applied to each cat boarding licence issued. Applicants will also be referred to Annex B of the model conditions “Emergency Evacuation Plan”.

A free copy of the model conditions can be downloaded via the link below:

<http://www.cieh.org/policy/model-licence-conditions-and-guidance-for-cat-boarding-establishments.html>

Conditions for Home Boarding

A.24 Number of Dogs Permitted

- 1.1 The maximum number of dogs to be boarded at any one time is **XX**. Numbers to be agreed by Veterinary Surgeon on inspection.
- 1.2 All dogs boarded must be from the same household. No mixed families of dogs are permitted.

A.25 General Conditions

- 1.3 Any dog-boarding activities should be in accordance with appropriate planning consents for the property.
- 1.4 Each dog shall wear a visible tag bearing the name, address and telephone number of the Licensee for the duration of the stay.
- 1.5 Dogs and equipment shall not be placed or kept in such a position to cause obstruction in case of fire or other emergency.
- 1.6 Any vehicles used by the establishment for the transportation of dogs must be regularly serviced and kept clean. During transportation, dogs should be carried in cages of adequate size. All vehicles must be secure.
- 1.7 Measures must be taken to keep the establishment free of rodents, insects and other pests.

A.26 Accommodation

- 1.8 Dogs will at all times be kept in accommodation that is adequate in size. Where dogs are kept in cages within the house these must be of sufficient size for the dog to lie down, stand up and turn around comfortably, and allow the dog to defecate away from the sleeping area. These size guidelines are adequate for short periods only and should not be regarded as suitable for permanent accommodation. Such cages should be used principally for sleeping quarters and animals should not be confined to them for long periods of the day.
- 1.9 Accommodation provided for dogs must be to the satisfaction of the Licensing Authority with particular regard to construction, size, fixtures and fittings, temperature, ventilation and cleanliness.
- 1.10 All excreta and soiled material shall be removed as often as necessary and at least daily from all living and exercise areas. Waste materials must be disposed of as per current regulations to the satisfaction of Head of Environmental Health
- 1.11 The accommodation and ancillary establishment shall be maintained so as to prevent odour or nuisance to occupiers and users of adjacent premises.
- 1.12 Suitable bedding equipment must be provided which allows the dogs to be comfortable and which is capable of being easily and adequately cleaned and sanitised. Such equipment must be sited out of draughts. All bedding must be maintained in a clean, parasite-free and dry condition.

- 1.13 Suitable cleansing between boarding must be achieved, a protocol for which must be drawn up and approved at the time of inspection by the Veterinary Surgeon.
- 1.14 All areas in which the dogs run freely must have a suitable and adequate fence to secure the site from possible escape and to prevent unauthorised access. Doors, gates and fencing must not have any projections liable to cause injury to dogs

A.27 Food and Water Supplies

- 1.15 All animals shall have an adequate supply of wholesome drinking water available at all times.
- 1.16 All animals shall be adequately supplied with suitable food.
- 1.17 Eating and drinking vessels must be cleaned or disposed of after each feed and re-usable vessels must be capable of being easily cleaned and disinfected.

A.28 Exercise

- 1.18 All dogs must be given adequate exercise and walked at least daily or as agreed by the dog owner.
- 1.19 Where exercise is provided off the premises all dogs must remain strictly on leads.
- 1.20 Where exercise is provided off the premises, arrangements must be made to immediately clean up any faeces deposited by the dogs and to dispose of any matter appropriately.
- 1.21 It is recommended that muzzles of varying sizes are made available.

A.29 Disease Control and Vaccination

- 1.22 Proof must be provided that dogs boarded have current vaccinations against Canine Distemper, Infectious Canine Hepatitis (Canine adenovirus), Leptospirosis (*L.canicola* and *L.Icterohaemorrhagiae*) and Canine Parvovirus and other relevant diseases. The course of vaccination must have been completed at least four weeks before the first date of boarding or in accordance with manufacturer's instructions. A record that this proof has been supplied must be kept on site throughout the period that the dog is boarded.
- 1.23 Advice from a Veterinary Surgeon must be sought in case of signs of disease, injury or illness. Where a dog is sick or injured, any instructions for its treatment, which have been given by a Veterinary Surgeon, must be strictly followed. No fees arising from the consultation with the Veterinary Surgeon will be borne by Exeter City Council.
- 1.24 Evidence of recent broad spectrum de-worming, flea and tick control, must be provided for dogs being cared for.
- 1.25 Dogs showing signs of disease or illness shall be isolated from any other dogs until veterinary advice is obtained.
- 1.26 Any medication prescribed by a Veterinary Surgeon must be stored appropriately and administered according to their instructions.

- 1.27 A well stocked first aid kit suitable for use on dogs must be available and accessible on site.

A.30 Register

- 1.28 A register must be kept of all dogs boarded at the premises and the information kept must include the following:
- Date of arrival.
 - Name of dog, and any other identification mark such as microchip number, tattoo or tag.
 - Description, breed, age and gender of dog.
 - Name, address and telephone number of owner or keeper.
 - Name, address and telephone number of contact person whilst cared for.
 - Name, address and telephone number of dog's Veterinary Surgeon.
 - Anticipated and actual date of arrival and departure.
 - Health, welfare and nutrition requirements.
 - Vaccination and worming details.
 - Date of last season if a bitch.
- 1.29 The register and associated records must be kept available for a minimum of **24** months and be kept in such a manner as to enable an authorised officer to easily access such information.

A.31 Supervision

- 1.30 A fit and proper/responsible person aged 18 or over shall at all times be present or within reasonable distance from the premises to give advice, exercise, supervision and deal with emergencies whenever dogs are being cared for at the premises. Proper care shall be afforded to the dogs in order to protect their health, safety and welfare.
- 1.31 Anyone supervising the care of the animals must have knowledge in animal welfare, cleanliness and hygiene, feeding and food preparation, disease control, health and safety, emergency procedures and the recognition and treatment of sick animals.

A.32 Fire Precautions

- 1.32 All electrical installations and appliances must be maintained in a safe condition. There must be a residual current circuit breaker system fitted.
- 1.33 Heating appliances must not be sited in a location or manner where they may present a risk of fire, or risk to dogs. Dogs must not have direct access to open flame heating devices.
- 1.34 The licensee shall ensure that a responsible person shall at all times be in, or within a reasonable distance from, the premises for the purpose of giving warning and

taking other necessary steps in the event of fire or other emergency. An adequate and accessible supply of water and sand/or an efficient fire extinguisher must always be available on the premises and the positions clearly marked.

- 1.35 Precautions must be taken to prevent any accumulation which may present a risk of fire.

A.33 Liability Insurance

- 1.36 Provide adequate and suitable public liability insurance (and where appropriate Employees Liability Insurance). A copy of the current certificate must be displayed.

A.34 Licence Display

- 1.37 A copy of the licence and its conditions must be suitably displayed to the customers in a prominent position.

A.35 Powers of Entry

- 12.1 The authorised officer of the Licensing Authority can, at any reasonable time, have a right of entry onto the premises for the purpose of carrying into effect any of the relevant statutory provisions. To enable these provisions to be carried out, the appointed officer may take any other person authorised by the Council that may be considered necessary.

Appendix B – Standard Conditions for Riding Establishment Licence

- B.1 A horse found on inspection of the premises by an authorised officer to be in need of veterinary attention shall not be returned to work until the holder of the licence has obtained at his own expense and has lodged with the Exeter City Council a veterinary certificate that the horse is fit for work.
- B.2 Before any horse or pony additional to those named in the attached schedule 'A' is taken into work at the establishment you shall lodge with Exeter City Council a veterinary declaration that the animal was found to be sound and suitable for use. It shall be on the form attached.
- B.3 No horse will be let out on hire for riding or used for providing instruction for riding without supervision by a responsible person of the age of 16 years or over unless (in the case of horse let out for hire for riding) the holder of the licence is satisfied that the hirer of the horse is competent to ride without supervision.
- B.4 The carrying on of the business of a riding establishment shall at no time be left in the charge of any person under the age of 16 years.
- B.5 The licence holder shall hold a current insurance policy which insures him against any liability for any injury sustained by those who hire a horse from him for riding and those who use a horse in the course of receiving from him, in return for payment, instruction in riding and arising out of the hire or use of a horse as aforesaid and which also insures such persons in respect of any liability which may be incurred by them in respect of injury to any person caused by or arising out of the hire or use of a horse as aforesaid.
- B.6 A register shall be kept by the licence holder of all horses in his possession aged three and under and usually kept on the premises which shall be available for inspection by an authorised officer at all reasonable times.
- B.7 Horses must be maintained in good health and in all respects physically fit and, in the case of a horse kept for the purpose of its being let out on hire for riding or a horse kept for the purpose of its being used in providing instruction in riding, the horse must be suitable for the purpose for which it is kept.
- B.8 No horse aged three years or under nor any mare heavy with foal nor any mare within three months after foaling may be let out on hire for riding or used, in return for payment, for instruction or in demonstrating riding.
- B.9 Any riding equipment supplied for a horse let out on hire must be free from visible defect which is likely to cause suffering to the horse or accident to the rider.
- B.10 The feet of all animals must be properly trimmed and, if shod, their shoes must be properly fitted and in good condition.
- B.11 In the case of horses maintained at grass there must be available for them at all times during which they are so maintained adequate pasture and shelter and water and supplementary feeds must be provided as and when required.

- B.12 Horses must be adequately supplied with suitable food, drink and (except in the case of horses maintained at grass, so long as they are so maintained) bedding material, and must be adequately exercised, groomed and rested and visited at suitable intervals.
- B.13 All reasonable precautions must be taken to prevent and control the spread among horses of infectious or contagious diseases and veterinary first aid equipment and medicines must be provided and maintained on the premises.
- B.14 The construction of the riding establishment must be substantial, adequate to contain the animals, and provide with warmth and shelter in clean and hygienic conditions. There must be convenient and safe access to stalls and boxes. Stalls must be large enough to allow the animal to lie down and get up without risk of injury. Boxes must be large enough to allow the animal to turn round.
- B.15 Yards must provide enough space for every animal kept there.
- B.16 Lighting must be adequate to render the use of artificial light unnecessary in daylight.
- B.17 Ventilation must provide fresh air without draughts.
- B.18 Drainage must be adequate to carry away liquid voided by the horses and keep the standings dry.
- B.19 There must be provision for storage and disposal of manure and spoiled straw.
- B.20 Adequate accommodation must be provided for forage bedding, stable equipment and saddlery.
- B.21 The Licence Holder must ensure that appropriate steps will be taken for the protection and extrication of horses in case of fire and in particular, that the name, address and telephone number of the Licence Holder or some other responsible person are kept displayed in a prominent position at the outside of the premises and that instructions as to action to be taken in the event of fire, with particular regard to the extrication of horses, are kept displayed in a prominent position on the outside of the premises.
- B.22 A register must be kept by the Licence Holder of all horses in his possession aged three years and under and usually kept on the premises which shall be available for inspection by an authorised officer.
- B.23 The Licensee must ensure that:
- a) escorts allocated to a particular ride are competent to supervise that ride;
 - b) the number of riders per escort in a ride do not exceed safe limits and that adequate control is exercised over the mounts at the paces that will be employed;
 - c) a horse allocated to a rider is capable of carrying the rider in safety.

Appendix C – Standard Conditions for Dog Breeding Establishment Licence

C.1 The Council has adopted the Chartered Institute of Environmental Health “Model Licence Conditions and Guidance for Dog Breeding Establishments”. The model conditions are split into a number of schedules including conditions relating to accommodation, management Etc. These conditions will be applied to each dog breeding licence issued.

C.2 A free copy of the model conditions can be downloaded via the link below:

http://www.cieh.org/CIEH-Model_Licence-Conditions-Guidance-Dog-Breeding-Establishments.html

Appendix D – Standard Conditions for Dangerous Wild Animals Licence

- D.1 These Standard Conditions will apply to all licences unless disapplied or varied by the the Council.
- D.2 The granting of a licence for a Dangerous Wild Animal shall not be deemed to convey any approval or consent which may be required under any enactment by law, order or regulation other than the Dangerous Wild Animals Act 1976 (as amended).
- D.3 While any animals are being kept under the authority of this licence;
- (i) the animal shall be kept by no person other than the person specified in the licence,
 - (ii) the animal shall normally be held at such premises as specified in the licence,
 - (iii) the animal shall not be moved from those premises except for veterinary treatment or with the written consent of the Council,
 - (iv) the licence holder shall hold a current insurance policy which insures him/her, and any other person entitled to keep the animal under the authority of this licence, against liability for any damage which may be caused by the animal, the terms of such policy being satisfactory in the opinion of the Council,
 - (v) the public liability insurance required in (iv) above shall provide cover to a minimum of ten million pounds. This figure may be reduced according to the number and species of animals, however, a minimum cover of £10,000,000.00 is required unless stated otherwise on the licence.
- D.4 The species and number of animals of each species which may be kept under the authority of this licence shall be restricted to those specified in the Schedule of Animals attached to the licence.
- D.5 The licence holder shall, at all reasonable times, make available the licence to any person entitled to keep any animal under the authority of the licence.
- D.6 Any change in species, or increase in numbers of a species, will only be permitted if written consent of the Council is first obtained and the Schedule of Animals attached to the licence is amended by the Council.
- D.7 **Special Conditions**

Given the unique nature of these establishments, the Council may impose specific special conditions relating to the individual premises and/or person based on the species and number of each species kept.

These conditions would be imposed in consultation with a specialist veterinary surgeon, or other recognised expert, and attached to the licence as a Schedule of Special Conditions.

Appendix E – Standard Conditions for Pet Shop Licence

Application for a Licence

- E.1 Although not provided for in that Act, it is recommended that applicants consult their local authority prior to submitting an application.

Trade Associations

- E.2 Licensees are recommended to apply for membership of an appropriate trade organisation which might act as a point of reference should any disputes over the licence conditions arise.

Categories of Animals which a Pet Shop may be Licensed to Keep

1. Dogs and Cats (puppies and kittens).
2. Smaller domesticated mammals e.g. rabbits, cavies, gerbils, hamsters, rats, mice.
3. Larger domesticated mammals, e.g. goats, pot bellied pigs.
4. Primates, e.g. marmosets.
5. Other mammals.
6. Parrots, parakeets and macaws.
7. Other birds
8. Reptiles
9. Amphibians
10. Fish
11. Other Species

RSPCA

- E.3 Permission to inspect the licensed premises shall be granted at all reasonable times to a duly authorised officer of the licensing authority and facilities to examine any animal shall be given to any veterinary practitioner (or officer of the RSPCA) who has been called in to carry out such examination by a duly authorised officer.
- E.4 The Council has adopted the Chartered Institute of Environmental Health “Model Conditions for Pet vending Licensing 2013”. The model conditions are split into a number of schedules including a general conditions schedule applicable to all Pet Shop licences (Schedule A), and also specific schedules for different types of animals. The remaining schedules (B to I), will be applied to the licence on a case by case basis depending on the types of animals kept.
- E.5 A free copy of the model conditions can be downloaded via the link below:

http://www.cieh.org/policy/Model_Conditions_for_Pet_Vending_Licensing_2013.aspx

Environmental Health and Licensing Manager
Civic Centre
Paris Street
Exeter
EX1 1RQ

Wednesday 11th October 2017

Dear Sir/Madam,

R.E. Animal Licensing Policy

Dogs Trust is pleased to be able to respond to your consultation on Animal Licensing Policy, which is welcome groundwork ahead of the upcoming repeal of the older legislation governing this area and its replacement with new Regulations under the Animal Welfare Act 2006.

The new Regulations (Licensing of Activities Involving Animals) are currently expected to come into effect in October 2018, but with some transitional provisions. As much of the new Regulations are based on the current Model Licence Conditions for dog breeding, boarding and pet vending, we are encouraged to see you will be using these until the new Regulations come into force. As you will be aware the Model Licence Conditions are being reviewed and included in the Schedules of the new Regulations.

Going forwards, the new Regulations will bring in some additional requirements. These include:

- All sales of puppies below the age of eight weeks will be prohibited via the removal of the exemption that currently exists in the Breeding and Sale of Dogs (Welfare) Act 1999
- The statutory licensing threshold for dog breeders will be reduced from five to three or more litters per year
- Licensed sellers of pets will be required to display their licence number when advertising
- A proposal to legally require pet sales to provide written information when selling animals, as a part of licence conditions. The information will be required to cover the five freedoms as set out in the Animal Welfare Act 2006

Dogs Trust

Clarissa Baldwin House
17 Wakley Street
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Patron: Her Majesty The Queen

Registered Charity Numbers: 227523 & 5037843

Changes to the licensing system itself will see the introduction of:

- Licences issued for a fixed term set at any point in the year (they currently are restricted to run from January – December only)
- Licences may be issued for up to three years; this will be linked to a requirement for local authorities to use a standard risk-based assessment system

In addition, we work with local authorities to help improve responsible dog ownership standards within the community. If you would like to find out more about how we can work together, please do not hesitate to contact our Campaigns Team via campaigns@dogstrust.org.uk.

Yours faithfully,



Paula Boyden
Veterinary Director

Dogs Trust

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REPORT TO CORPORATE SERVICES SCRUTINY COMMITTEE,
EXECUTIVE AND COUNCIL
Date of Meeting: Corporate Services Scrutiny – 23 November 2017
Executive - 12 December 2017
Council - 19 December 2017
Report of: Chief Finance Officer
Title: Capital Monitoring Statement to 30 September 2017

Is this a Key Decision?

No

Is this an Executive or Council Function?

Council

1. What is the report about?

To report the current position in respect of the Council's revised annual capital programme and to advise Members of the anticipated level of deferred expenditure into future years.

The report seeks Member approval to amend the annual capital programme in order to reflect the reported variations.

2. Recommendations:

It is recommended that Corporate Services Scrutiny Committee supports and the Executive recommends to Council to approve:

- (i) **The revision of the annual capital programme to reflect the reported variations detailed in 8.4 and 8.5**

3. Reasons for the recommendation:

Local authorities are required to estimate the total of capital expenditure that it plans to incur during the financial year when it sets the prudential indicators for capital expenditure. This shows that its asset management and capital investment strategies are affordable, prudent and sustainable.

Capital expenditure is a significant source of risk and uncertainty since cost variations, delays and changing specifications are often features of large and complex capital projects.

In order to manage the risks associated with capital programming the annual capital programme is updated every three months to reflect any cost variations, slippage or acceleration of projects.

4. What are the resource implications including non financial resources

The financial resources required are set out in the body of this report.

5. Section 151 Officer comments:

This report has been prepared on behalf of the Section 151 Officer to set out the financial position of the Capital Programme as at 30 September 2017.

6. What are the legal aspects?

The capital expenditure system is framed by the Local Government and Housing Act 1989.

7. Monitoring Officer's comments:

This report raises no issues for the monitoring officer.

8. Report Details:

CAPITAL MONITORING STATEMENT TO 30 SEPTEMBER 2017

8.1 REVISIONS TO THE CAPITAL PROGRAMME

The 2017/18 Capital Programme, including commitments brought forward from 2016/17, was last reported to Corporate Services Scrutiny Committee on 28 September 2017. Since that meeting the following changes have been made that have increased the programme:

Description	£	Approval/Funding
Capital Programme, as reported to Corporate Services Scrutiny Committee, 28 September 2017	33,405,130	
Budget Deferred to 2018/19 & Beyond at Quarter 1	(8,697,390)	Approved by Council 17 October 2017
Overspends/(Underspends) reported at Quarter 1	(977,760)	
Mary Arches Lifts	100,000	
Acquisition of Affordable Housing (HRA)	115,000	Delegated Powers 20 September 2017
Revised Capital Programme	23,944,980	

8.2 PERFORMANCE

The revised capital programme for the current financial year is £23.945 million. During the first six months of the year the Council spent £4.134 million on the programme, which equates to 17.3% of the revised programme. This compares with £4.063 million (17.5%) being spent in the first six months of 2016/17.

The current programme is detailed in Appendix 1. The Appendix shows a total forecast spend for 2017/18 of £16.433 million with £7.370 million of the programme potentially being deferred to 2018/19 and beyond.

Appendix 2 shows the approved budgets for 2018/19 with the proposed 2017/18 budget to be carried forward to 2018/19 and beyond for Executive and Council to consider for approval.

Appendix 3 shows the overall position for those schemes which span more than one financial year.

8.3 AVAILABLE CAPITAL RESOURCES

The available capital resources for the General Fund for 2017/18 are £7.367 million. An estimated spend of £6.014 million is required of which £3.698 million will be funded from borrowing with £5.050 million capital receipts carried forward to 2018/19. The available capital resources for the HRA for 2017/18 are £21.628 million. An estimated spend of £10.419 million is required leaving £11.209 million to be carried forward into 2018/19. Appendix 4 sets out the forecast use of the resources available for the General Fund and the HRA and the likely amounts of borrowing that will be necessary to fund the capital programme over the next three years.

The value of actual capital receipts received in the quarter in respect of the General Fund and the HRA are:

	General Fund £	HRA £
Balance as at 30 June 2017	147,530	573,819
New Receipts	130,000	870,864
Less HRA Pooling		(106,676)
Balance as at 30 September 2017	277,530	1,338,007

8.4 EXPENDITURE VARIANCES

The main variances and issues concerning expenditure in 2017/18 are:

Scheme	Estimated Overspend / (Underspend) £	Reason
Re-rendering	6,000	A minor overspend following settlement of the 2015/16 final account.
Energy Conservation	(90,000)	It was originally planned for external wall insulation works to be undertaken, but following an options appraisal it was identified that cavity filling was more appropriate, resulting in significant savings.
Other Works	(50,000)	This is a capital contingency budget, which is no longer required. Approval will be sought for any capital expenditure that falls outside planned works, in accordance with proper practice.
Estate Regeneration	Budget transfer of £133,410 from Heavitree to South Street	In March 2017 the Council received £1.295m Estate Regeneration funding. The grant is to be used across four HRA sites and providing the project deliverables set out in the grant bid are met, the grant funding can be applied fluidly across the sites. The overall forecast costs remain at £1.295m.

8.5 SCHEMES TO BE DEFERRED TO 2018/19 AND BEYOND

Schemes which have been identified as being wholly or partly deferred to 2018/19 and beyond are:

Scheme	17/18 Budget £	Budget to be Deferred £	Reason
Repair Canal Bank at M5	34,290	30,000	Planned works can only be carried out during summer months due to environmental restrictions.
Leisure Complex – Build Project	5,121,540	4,648,960	The budget has been re-profiled to reflect the delay to the Leisure Complex build and proposal to de risk the remaining site (formally Crown Estates Development).
Bus Station Construction	281,850	(12,150)	
Energy Saving Projects	1,556,200	1,533,870	An application has been made to the European Regional Development Fund for a grant towards an innovative Smart Grid PV and Battery Storage Project that will require match funding.
Programmed Re-roofing	400,300	100,000	Vacant Surveyor posts have placed a constraint on delivery of the programme of re-roofing houses and it is currently projected that works amounting to £100k will be deliverable.
Energy Conservation	190,000	100,000	As reported above, an options appraisal of the optimum system of insulation has been undertaken which has led to delays. It is anticipated that works will commence next financial year.
Structural Repairs	189,430	119,430	Following structural monitoring it has been identified that underpinning works are required at Redlands Close. These works will be scheduled for 2018/19 to allow time for any necessary tenant decants.
Rennes House Structural Works	500,000	500,000	The latest pre-tender estimates for the major refurbishment of Rennes House indicate a budget shortfall of £1.3m. Significant spend of the budget will be delayed until approval has been secured for the latest project costings.
Electrical Re-wiring – Communal Areas	1,073,870	300,000	Plans to upgrade emergency lighting in communal areas have been identified as a priority for 2017/18, other remedial works will be undertaken in 2018/19 due to officer capacity.

Whipton Barton House Water Mains	50,000	50,000	It was originally planned that a separate water mains would be provided to Council owned bungalows, however the site is subject to an Estate Regeneration appraisal. It is therefore considered prudent to defer capital spend until the future of the site is known.
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8.6 ACHIEVEMENTS

The following schemes have been completed during the second quarter of 2017/18:

- **Newcourt Community Hall**
The grant helped the relatively newly formed Newcourt Community Association with the setting up and initial running costs of a new community building. They have risen to the challenge and developed it into a popular and successful local venue, most notably providing a home for the new primary school until its own building is complete.
- **Rougemont Gardens – Path and Railings**
A defective, steeply sloping path within the public gardens has been stabilised and repaired after having been temporarily closed for several months. The works to the pathway involved obtaining Ancient Monument Consent and involved ground stabilisation investigations before the works could be undertaken. The outcome is that this path has been re-opened and the damaged metal fencing repaired to the public in time for the summer months and the outdoor park events.
- **Canal Pontoons**
The withdrawal from service and replacement of a deteriorating wooden pontoon immediately downstream from Double Locks, plus the addition of a second new pontoon facility upstream, has been funded by Exeter Canal and Quay Trust. The installation and anchorages have been overseen by Public Realm staff and local adaptations made to improve access for boat users to launch boats, canoes, even rowing boats – multi-skulled. Feedback from users has been very positive and makes entry onto the water safe and more stable. A genuine improvement that allows users to more easily avoid the lock when it is closed.

9. How does the decision contribute to the Council's Corporate Plan?

The Capital Programme contributes to all of the key purposes, as set out in the Corporate Plan.

10. What risks are there and how can they be reduced?

Areas of budgetary risk are highlighted to committee as part of the quarterly budget monitoring updates.

11. What is the impact of the decision on equality and diversity; health and wellbeing; safeguarding children, young people and vulnerable adults, community safety and the environment?

No impact

12. Are there any other options?

No

DAVE HODGSON
Chief Finance Officer

Author:
Nicola Matthews-Morley

Local Government (Access to Information) Act 1972 (as amended)
Background papers used in compiling this report:

None

Contact for enquiries:
Democratic Services (Committees)
Room 2.3
(01392) 265275

CAPITAL MONITORING TO 30 SEPTEMBER 2017

	2017/18 Capital Programme	2017/18 Spend to 30 September	2017/18 Forecast Spend	2017/18 Budget to be Carried Forward to 2018/19 and Beyond	2017/18 Programme Variances (Under)/Over
	£	£	£	£	£
PEOPLE					
HELP ME FIND SOMEWHERE TO LIVE					
Disabled Facility Grants	685,820	99,683	685,820		
Warm Up Exeter/PLEA Scheme	124,620	59,368	124,620		
Wessex Loan Scheme	107,820	23,565	107,820		
WHIL Empty Properties	194,000	0	194,000		
Temporary Accommodation Purchase	584,950	0	584,950		
PEOPLE TOTAL	1,697,210	182,616	1,697,210	0	0
PLACE					
KEEP PLACE LOOKING GOOD					
Outdoor Leisure Facilities	73,450	2,223	73,450		
Rougemont Gardens - Path & Railings	29,800	28,728	28,728		(1,072)
Repair Canal Bank at M5	34,290	2,500	4,290	30,000	
Queen's Crescent CPO	18,000	0	18,000		
Canal Pontoon	9,950	4,287	9,950		
Kings Arms Bridge	160,000	0	160,000		
Exwick Cemetery Ashes Section	60,000	0	60,000		
KEEP ME/MY ENVIRONMENT SAFE & HEALTHY					
Vehicle Replacement Programme	1,065,000	561,801	1,065,000		
Car Park Surfacing - Haven Road	12,350	0	12,350		
Replace Lifts at Mary Arches MSCP	200,000	0	200,000		
Riverside Arches	60,000	51,927	53,500		(6,500)
City Wide Property Level Protection	94,750	350	94,750		
RAMM Air Monitoring Equipment	90,000	0	90,000		

	2017/18 Capital Programme	2017/18 Spend to 30 September	2017/18 Forecast Spend	2017/18 Budget to be Carried Forward to 2018/19 and Beyond	2017/18 Programme Variances (Under)/Over
	£	£	£	£	£
PROVIDE GREAT THINGS FOR ME TO SEE & DO					
Sports Facilities Refurbishment	144,860	54,863	144,860		
Passenger Lift at RAMM	73,880	0	73,880		
Livestock Centre Roof Replacement	6,130	0	6,130		
St Nicholas Priory	107,760	33,683	107,760		
Acquisition of Ludwell Valley Park	59,940	0	59,940		
MAINTAIN THE ASSETS OF OUR CITY					
RAMM Roof Access Improvement	68,500	950	68,500		
DELIVER GOOD DEVELOPMENT					
Leisure Complex - Build Project	5,121,540	311,267	472,580	4,648,960	
Bus Station Construction	281,850	56,946	294,000	(12,150)	
Newcourt Community Hall (Grant)	9,570	0	9,570		
Newtown Community Centre (S106)	84,670	0	84,670		
Newtown Community Centre (1st Grant)	50,000	0	50,000		
Newtown Community Centre (2nd Grant)	46,750	0	46,750		
Alphington Village Hall (Repairs & Extension)	17,380	12,052	17,380		
Beacon Heath Martial Arts & Boxing Club - New Roof	16,300	0	16,300		
PLACE TOTAL	7,996,720	1,121,576	3,322,338	4,666,810	(7,572)
CORPORATE SERVICES					
WELL RUN COUNCIL					
Invest to Save Opportunities	71,700	38,350	71,700		
Energy Saving Projects	1,556,200	4,333	22,330	1,533,870	
Condition Surveys - Priority 1	20,000	0	20,000		
Condition Surveys - Priority 2	45,500	0	45,500		
Customer Contact Platform	175,830	7,898	175,830		
Annual Contribution to Strata	53,900	53,904	53,900		
Idox System for Planning	122,600	0	122,600		
HR System	58,330	0	58,330		
Convergence Projects	324,360	25,279	324,360		
Capitalised Staff Costs	100,000	0	100,000		
CORPORATE SERVICES TOTAL	2,528,420	129,763	994,550	1,533,870	0

Grants to external bodies (schemes beyond ECC's control)
--

	2017/18 Capital Programme	2017/18 Spend to 30 September	2017/18 Forecast Spend	2017/18 Budget to be Carried Forward to 2018/19 and Beyond	2017/18 Programme Variances (Under)/Over
	£	£	£	£	£
HRA					
INVESTMENT IN EXISTING STOCK					
Adaptations	450,000	228,323	450,000		
Re-rendering	0	6,000	6,000		6,000
Environmental Improvements - General	50,760	15,032	50,760		
Programmed Re-roofing	400,300	0	300,300	100,000	
Energy Conservation	190,000	0	0	100,000	(90,000)
Garage Upgrades	11,000	0	11,000		
LAINGS Refurbishments	640,000	0	640,000		
Kitchen Replacement Programme	587,500	50,078	587,500		
Balcony Walkway Improvements	75,000	0	75,000		
Bathroom Replacement Programme	462,500	9,377	462,500		
Other Works	50,000	0	0		(50,000)
Fire Precautionary Works to Flats	231,090	150,730	231,090		
Communal Areas	126,980	83,337	126,980		
Structural Repairs	189,430	36,424	70,000	119,430	
Rennes House Structural Works	550,000	4,725	50,000	500,000	
Common Area Footpaths/Wall Improvements	514,370	53,444	514,370		
Soil Vent Pipe Replacement	25,500	0	25,500		
Electrical Central Heating	19,120	0	19,120		
Smoke/Fire Alarms - Older Persons	84,250	56,965	84,250		
Electrical Re-wiring	1,073,870	186,827	773,870	300,000	
Central Heating Programme	167,540	32,336	167,540		
Boiler Replacement Programme	123,200	46,006	123,200		
Communal Doors and Screens	70,000	0	70,000		
Fire Risk Assessment Works	434,550	5,945	434,550		
Wipto Barton House House Water Mains	50,000		0	50,000	
Re-roofing Works Shilhay	839,840	280,134	839,840		
Window Replacements	246,000	0	246,000		
Replacement Housing Management System	175,100	175,096	175,100		
PROVISION OF NEW COUNCIL HOMES					
Social Housing Acquisitions - Section 106	173,540	53,103	173,540		
COB Wave 2 - Rennes Car Park	2,264,470	1,069,554	2,264,470		
St Loyes Extracare Scheme	151,720	25,229	151,720		
Estate Regeneration - Heavitree (COB Wave III)	585,640	131,327	452,230		(133,410)
Estate Regeneration - Heavitree (Clifford Close)	166,950	0	166,950		
Estate Regeneration - Heavitree (Vaughan Road)	286,060	0	286,060		
Estate Regeneration - Heavitree (South Street)	256,350	0	389,760		133,410
HRA TOTAL	11,722,630	2,699,992	10,419,200	1,169,430	(134,000)
TOTAL CAPITAL BUDGET	23,944,980	4,133,947	16,433,298	7,370,110	(141,572)

BUDGETS CARRIED FORWARD TO 2018/19 AND BEYOND

	2018/19 Budget as per Budget Book/Council Approvals	Budget Carried Forward to 2018/19 and Beyond at Qtr 1	Proposed Budget to be Carried Forward to 2018/19 and Beyond at Qtr 2	Total 2018/19 Capital Programme	2019/20 Budget as per Budget Book/Council Approvals
	£	£	£	£	£
PEOPLE					
HELP ME FIND SOMEWHERE TO LIVE					
Disabled Facility Grants	379,000	0	0	379,000	379,000
PEOPLE TOTAL	379,000	0	0	379,000	379,000
PLACE					
KEEP PLACE LOOKING GOOD					
Outdoor Leisure Facilities	0	263,241	0	263,241	0
Repair Canal Bank at M5	0	0	30,000	30,000	0
KEEP ME/MY ENVIRONMENT SAFE & HEALTHY					
Vehicle Replacement Programme	400,000	(38,000)	0	362,000	400,000
Bowling Green Marshes Coastal Defence Scheme	0	278,900	0	278,900	0
Topsham Flood Gates (Ferry Road/The Strand)	0	100,000	0	100,000	0
Exeter Flood Alleviation Scheme	0	200,000	0	200,000	0
PROVIDE GREAT THINGS FOR ME TO SEE & DO					
Sports Facilities Refurbishment	56,430	0	0	56,430	56,430
DELIVER GOOD DEVELOPMENT					
Leisure Complex - Build Project	16,392,480	0	4,648,960	16,392,480	10,947,226
Bus Station Construction	2,815,540	439,160	(12,150)	3,254,690	2,307,830
PLACE TOTAL	19,664,450	1,243,301	4,666,810	20,937,741	13,711,486
CORPORATE SERVICES					
WELL RUN COUNCIL					
Energy Saving Projects	0	0	1,533,870	1,533,870	0
Customer Contact Platform	30,000	0	0	30,000	0
Annual Contribution to Strata	53,900	0	0	53,900	53,900
Capitalised Staff Costs	100,000	0	0	100,000	100,000
CORPORATE SERVICES TOTAL	183,900	0	1,533,870	1,717,770	153,900

	2018/19 Budget as per Budget Book/Council Approvals	Budget Carried Forward to 2018/19 and Beyond at Qtr 1	Proposed Budget to be Carried Forward to 2018/19 and Beyond at Qtr 2	Total 2018/19 Capital Programme	2019/20 Budget as per Budget Book/Council Approvals
	£	£	£	£	
HRA					
INVESTMENT IN EXISTING STOCK					
Adaptations	500,000	0	0	500,000	500,000
Environmental Improvements - General	40,000	0	0	40,000	40,000
Programmed Re-roofing	1,205,910	790,000	100,000	2,095,910	1,222,000
Energy Conservation	170,000	0	100,000	270,000	170,000
Garage Upgrades	100,000	89,000	0	189,000	0
LAINGS Refurbishments	1,775,530	247,770	0	2,023,300	0
Kitchen Replacement Programme	616,880	0	0	616,880	647,720
Balcony Walkway Improvements	105,000	30,000	0	135,000	105,000
Bathroom Replacement Programme	485,630	0	0	485,630	509,900
Other Works	50,000	0	0	50,000	50,000
Communal Areas	112,360	32,000	0	144,360	114,610
Structural Repairs	150,000	0	119,430	269,430	150,000
Rennes House Structural Works	2,393,000	0	500,000	2,893,000	993,730
Common Area Footpaths/Wall Improvements	350,000	350,000	0	700,000	0
Soil Vent Pipe Replacement	26,000	0	0	26,000	26,500
Electrical Central Heating	19,510	0	0	19,510	19,900
Electrical Re-wiring	1,091,320	15,000	300,000	1,406,320	1,041,970
Central Heating Programme	170,880	0	0	170,880	174,300
Boiler Replacement Programme	364,000	233,800	0	597,800	371,000
Communal Doors and Screens	342,370	231,870	0	574,240	130,380
Fire Risk Assessment Works	63,000	0	0	63,000	63,000
Whipton Barton House House Water Mains	0	0	50,000	50,000	0
Window Replacements	760,920	500,000	0	1,260,920	776,140
ZEBCat Project	480,000	0	0	480,000	0
PROVISION OF NEW COUNCIL HOMES					
Social Housing Acquisitions - Open Market	0	1,000,000	0	1,000,000	0
Social Housing Acquisitions - Section 106	500,000	240,000	0	740,000	0
St Loyes Extracare Scheme	5,838,692	2,862,015	0	8,700,707	859,670
HRA TOTAL	17,711,002	6,621,455	1,169,430	25,501,887	7,965,820
TOTAL CAPITAL BUDGET	37,938,352	7,864,756	7,370,110	48,536,398	22,210,206

CAPITAL SCHEMES SPANNING MORE THAN ONE FINANCIAL YEAR

	Total Capital Budget	Total Spend Up to 30 September 2017	2017/18 Programme Variances (Under)/Over
	£	£	£
PLACE			
KEEP PLACE LOOKING GOOD			
Rougemont Gardens - Path & Railings	50,000	48,933	(1,072)
Repair Canal Bank at M5	64,520	32,731	0
Canal Pontoon	26,220	20,561	0
PROVIDE GREAT THINGS FOR ME TO SEE & DO			
Passenger Lift at RAMM	75,000	1,120	0
Livestock Centre Roof Replacement	1,250,000	1,243,871	0
St Nicholas Priory	115,000	40,923	0
DELIVER GOOD DEVELOPMENT			
Leisure Complex - Build Project	30,652,130	2,829,825	0
Bus Station Construction	6,870,000	1,070,422	0
Alphington Village Hall (Repairs & Extension)	50,000	44,673	0
Beacon Heath Martial Arts & Boxing Club - New Roof	21,810	5,508	0
PLACE TOTAL	39,102,870	5,288,385	(1,072)
HRA			
PROVISION OF NEW COUNCIL HOMES			
COB Wave 2 - Rennes Car Park	3,910,770	2,715,853	0
St Loyes Extracare Scheme	10,850,000	1,007,154	0
HRA TOTAL	14,760,770	3,723,007	0
TOTAL CAPITAL BUDGET	53,863,640	9,011,392	(1,072)

GENERAL FUND AVAILABLE RESOURCES

GENERAL FUND	2017-18 £	2018-19 £	2019-20 £	2020-21 £	TOTAL £
CAPITAL RESOURCES AVAILABLE					
GF Capital Receipts	699,180		1,075,824		1,775,004
Disabled Facility Grant	685,822	379,000	379,000	379,000	1,822,822
New Homes Bonus	140,010	12,276,067	486,219	0	12,902,296
Community Infrastructure Levy	294,000	6,816,281	0	0	7,110,281
Other - Grants/External Funding/Reserves/S106	812,262	958,557	813,633	0	2,584,452
Total Resources Available	2,631,274	20,429,905	2,754,676	379,000	26,194,855
GENERAL FUND CAPITAL PROGRAMME					
Capital Programme	12,222,350	21,470,650	9,607,580	532,900	43,833,480
Overspends/(Savings)	(7,572)				(7,572)
Slippage	(6,200,680)	1,563,860	4,636,820		0
Total General Fund	6,014,098	23,034,510	14,244,400	532,900	43,825,908

UNCOMMITTED CAPITAL RESOURCES:					
Capital Receipts Brought Forward	4,735,420	5,050,420	4,612,007	0	4,735,420
Resources in Year	2,631,274	20,429,905	2,754,676	379,000	26,194,855
Less Capital Receipts to carry forward	(5,050,420)	(4,612,007)	0	0	0
Less Estimated Spend in Year	(6,014,098)	(23,034,510)	(14,244,400)	(532,900)	(43,825,908)
Borrowing Requirement	3,697,823	2,166,192	6,877,717	153,900	12,895,633

HRA AVAILABLE RESOURCES

HOUSING REVENUE ACCOUNT	2017-18 £	2018-19 £	2019-20 £	2020-21 £	TOTAL £
CAPITAL RESOURCES AVAILABLE					
Usable Receipts Brought Forward					5,607,226
Major Repairs Reserve Brought Forward					8,719,199
Other HRA Sales	227,364	0	0	0	227,364
RTB sales	1,250,000	500,000	500,000	400,000	2,650,000
Surrender back to DCLG - pending St Loyes financing decision	(2,870,000)	0	0	0	(2,870,000)
Major Repairs Reserve	3,000,614	3,000,614	3,000,614	3,000,614	12,002,456
Revenue Contributions to Capital	3,796,642	7,196,555	2,500,000	2,500,000	15,993,197
External contributions	45,470	434,000	160,259	0	639,729
Grant funding - HCA grant (St Loyes)	0	1,490,000	0	0	1,490,000
Grant funding - Estate Regeneration Funding	1,295,000	0	0	0	1,295,000
Grant funding - Zero Energy Buildings Project	0	216,000	0	0	216,000
Commuted sums	556,840	4,510,711	859,669	155,976	6,083,196
Total Resources available	7,301,930	17,347,880	7,020,542	6,056,590	52,053,367
CAPITAL PROGRAMME					
HRA Capital Programme	11,722,625	24,332,455	7,965,821	6,053,793	50,074,694
Quarter 2 - Overspends / (Savings)	(134,000)				(134,000)
Quarter 2 - Slippage / Re-profiling	(1,169,430)	1,169,430			0
Total Housing Revenue Account	10,419,195	25,501,885	7,965,821	6,053,793	49,940,694
UNCOMMITTED CAPITAL RESOURCES:					
Usable Receipts Brought Forward	5,607,226	1,233,114	733,114	733,114	5,607,226
Major Repairs Reserve Brought Forward	8,719,199	9,976,046	2,322,041	1,376,762	8,719,199
Resources in Year	7,301,930	17,347,880	7,020,542	6,056,590	37,726,942
Less Estimated Spend	(10,419,195)	(25,501,885)	(7,965,821)	(6,053,793)	(49,940,694)
Uncommitted Capital Resources	11,209,160	3,055,155	2,109,876	2,112,673	2,112,673
WORKING BALANCE RESOURCES:					
Balance Brought Forward	8,567,454	9,495,965	5,733,953	6,490,988	8,567,454
HRA Balance Transfer - Surplus/(Deficit)	(2,487,615)	(593,112)	821,719	594,774	(1,664,234)
RCCO in respect of St Loyes Extra Care Scheme	2,700,000	(2,700,000)			0
Quarter 1 Budget monitoring - forecast variances	512,950	(269,216)			243,734
Quarter 2 Budget monitoring - forecast variances	203,176	(199,684)	(64,684)	(64,684)	(125,876)
Balance Carried Forward	9,495,965	5,733,953	6,490,988	7,021,078	7,021,078
Balance Resolved to be Retained	(4,000,000)	(4,000,000)	(4,000,000)	(4,000,000)	(4,000,000)
Uncommitted HRA Working Balance	5,495,965	1,733,953	2,490,988	3,021,078	3,021,078
TOTAL AVAILABLE CAPITAL RESOURCES	16,705,125	4,789,108	4,600,864	5,133,751	5,133,751

REPORT TO RESOURCES SCRUTINY COMMITTEE

Date of Meeting: 23 November 2017

REPORT TO EXECUTIVE

Date of Meeting: 12 December 2017

REPORT TO COUNCIL

Date of Meeting: 19 December 2017

Report of: The Chief Finance Officer

Title: OVERVIEW OF REVENUE BUDGET 2017/18

Is this a Key Decision?

No

* One that affects finances over £1m or significantly affects two or more wards. If this is a key decision then the item must be on the appropriate forward plan of key decisions.

Is this an Executive or Council Function?

Council

1. What is the report about?

1.1 To advise Members of the overall projected financial position of the HRA & General Fund Revenue Budgets for the 2017/18 financial year after six months.

2. Recommendations:

It is recommended that Scrutiny Resources Committee and the Executive note the report and Council notes and approves (where applicable):

2.1 The General Fund forecast financial position for the 2017/18 financial year;

2.2 The HRA forecast financial position for 2017/18 financial year;

2.3 The outstanding Sundry Debt position as at September 2017;

2.4 The creditors' payments performance;

3. Reasons for the recommendation:

3.1 To formally note the Council's projected financial position and to approve any additional expenditure required during the financial year.

4. What are the resource implications including non financial resources.

4.1 The impact on the General Fund working balance, HRA working Balance and Council Own Build working balance are set out in sections 8.3.6, 8.2.1 and 8.2.3 respectively.

4.2 There are no requests for supplementary budgets in the report.

5. Section 151 Officer comments:

5.1 The report represents the projected financial position to 31 March 2018. In respect of the year end projections, the overall position in respect of the General Fund has returned to budget. This has been caused by a number of services covering their overspends identified in quarter 1 and a further reduction in the repayment of debt caused by lower than expected capital expenditure. The HRA is showing a significant underspend caused

by the delay in a number of significant capital projects.

6. What are the legal aspects?

6.1 There are no legal aspects to the report.

7. Monitoring Officer's comments:

7.1 This report raises no issues of concern for the Monitoring Officer

8. Report details:

8.1 Financial Summary

FUND	Planned Transfer (to) / from Working Balance	Budget Variance Over / (under)	Outturn Transfer 2017/18
	£	£	£
General Fund	1,452,509	(1,456)	1,451,053
HRA	2,487,615	(3,416,126)	(928,511)
Council own Build Houses	(35,970)	(7,0000)	(42,970)

8.2 Housing Revenue Account (Appendix A)

8.2.1 The first quarter projection shows a significant reduction in the amount taken from the working balance resulting in a large increase in the working balance. The projected increase is £725,335 to leave the working balance at £9,292,789.

Movement	2017/18
Opening HRA Balance, as at 01/04/17	£8,567,454
Surplus	£928,511
Projected balance, as at 31/3/18	£9,292,789

8.2.2 The key variances are as follows:

Management Unit	Over / (Underspend)	Detail
Repairs and Maintenance Programme	(£355,000)	<ul style="list-style-type: none"> • It is anticipated that slippage will occur in the external painting and low maintenance works in respect of flats due to the time required to undertake leaseholder consultation. • Savings from new contracts for the testing of emergency lights and fire alarms

Revenue Contribution to Capital	(£2,700,000)	<ul style="list-style-type: none"> The estimated amount of revenue monies required towards financing the HRA Capital Programme in 2017-18 has reduced by £2.7m, from £6.5m to £3.8m. <p>In March 2014 Executive approved a £2.7m contribution towards the St Loyes Extra Care scheme, which was profiled to be required in 2017-18 but delays to the scheme will mean that significant spend will not take place until 2018/19 when it is hoped that works can start on site. A detailed report is due to be presented to committee later this year in respect of this scheme.</p>
Housing Assets	(£186,800)	<ul style="list-style-type: none"> Savings in employee costs are expected due to vacant Surveyor posts within the Housing Assets team. The decant of tenants in ten LAINGS properties to enable a demolish and rebuild scheme to be undertaken are not expected to take place this financial year. Higher than budgeted tender prices have necessitated an options appraisal and caused a delay in the project timetable. A saving is reported in 2017-18, as the cost of decanting tenants in 2018-19 will be factored into next year's budgets. A detailed report is planned to be presented to committee in respect of the LAINGS project.

- 8.2.3 The Council's new properties at Rowan House and Knights Place form part of the overall Housing Revenue Account, but separate income and expenditure budgets are maintained in order to ensure that they are self-financing. There is a small projected variance to the projected surplus at the end of the first quarter.

Movement	2017/18
Opening Council Own Build, as at 01/04/17	£208,097
Surplus	42,970
Projected balance, as at 31/3/18	£251,067

8.3 General Fund (Appendix B)

- 8.3.1 The Service Committees show projected overspends of £258,050 against a revised budget of £14,231,290. The main variances are:

8.3.2 **People Scrutiny Committee – (An overspend in total of £122,780)**

Management Unit	Over / (Underspend)	Detail
Affordable Housing Development	42,780	<ul style="list-style-type: none"> This represents the cost of officer time required to progress Estate Regeneration Projects, following a successful capital grant bid of £1.295m and the time required in connection with setting up a new Development Company.
General Fund - Housing	(45,000)	<ul style="list-style-type: none"> The number of Private Sector Leased properties handed back to landlords was lower than anticipated in the first 6 months, resulting in additional rental income and lower hand back costs.
Revenue Collection & Benefits	125,000	<ul style="list-style-type: none"> The value of debt write offs has been higher than expected due to an increase in personal insolvencies.

8.3.3 **Place Scrutiny Committee – (An overspend in total of £161,420)**

Management Unit	Over / (Underspend)	Detail
Parks and Green Spaces	£85,000	<ul style="list-style-type: none"> The saving target for the management unit will not be achieved in year due to the increasing service demands impacting on the existing resource base.
Cleansing Chargeable Services	£100,000	<ul style="list-style-type: none"> The predicted overspend is due to income from the trade refuse and recycling services being below target.
Recycling	£50,000	<ul style="list-style-type: none"> The predicted overspend is due to income being below target for recycling, mainly paper. Paper tonnage collected has reduced compared to last year, and the rate received for selling paper has also reduced.
Public Realm Assets	£30,000	<ul style="list-style-type: none"> The saving included in respect of the closure of Paris Street PCs will not be achieved due to the delay in the redevelopment of the bus station.
Growth & Enterprise	(£38,000)	<ul style="list-style-type: none"> The underspend is due to vacancies.
Planning Services	(£50,000)	<ul style="list-style-type: none"> Income figures to date indicate that the budget in respect of Planning Application Fees will exceed the budget.
Markets & Halls	(£41,000)	<ul style="list-style-type: none"> Income streams at the Livestock / Matford centre are projected to be ahead of budget by the year end, plus an underspend on vacancies at the Corn Exchange.

8.3.4 **Corporate Scrutiny Committee – (An overspend in total of £26,150)**

Management Unit	Over / (Underspend)	Detail
Corporate Property - Estates	30,800	<ul style="list-style-type: none"> Additional expenditure has been incurred in respect of a lease termination and Non-Domestic Rates charges. The income budget in respect of Paris Street properties will be exceeded.
Unapportionable Overheads	(90,000)	<ul style="list-style-type: none"> This potential underspend relates to Superannuation and is based upon known departures as at this date.

Strategic Management	(103,700)	<ul style="list-style-type: none"> An underspend is anticipated on the cost of employee budgets mainly due to: vacancies; a reduction of hours, and recharges to the Housing Revenue Account.
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8.3.5 Other Financial Variations

Other items	Over / (Underspend)	Detail
Net Interest	(150,000)	<ul style="list-style-type: none"> Continued low interest rates and advice not to borrow longer term from our advisors mean a reduction in the spend on interest.
Repayment of debt	(116,306)	<ul style="list-style-type: none"> Lower than forecast need to borrow leading to a reduced repayment of debt calculation.

8.3.6 General Fund Balance

In 2017/18 it is projected that there will be an overall net contribution from the General Fund Balance of £1,451,053. The minimum requirement for the General Fund working balance was approved by Council in February 2017 at £3 million.

Movement	2017/18
Opening Balance, as at 01/04/17	£5,264,841
Surplus	(£ 1,451,053)
Balance, as at 31/3/18	£3,813,788

8.4 OUTSTANDING SUNDRY DEBT

8.4.1 An aged debt analysis of the Council's sundry debts is shown in the table below. The latest data shown is to the end of August in order to demonstrate how for much of the debt, there is significant recovery in the two months after the data is run. This is due to the fact that our quarterly invoices are run just prior to the end of each quarter.

Age of Debt	November 2016	March 2017	September 2017
Up to 29 days (current)	£929,016	£6,820,661	£1,266,865
30 days – 1 Year	£1,389,548	£1,027,940	£1,307,986
1 – 2 years	£1,174,178	£945,735	£588,743
2 – 3 years	£394,762	£455,532	£816,633
3 – 4 years	£356,987	£327,021	£275,278
4 – 5 years	£167,513	£226,393	£282,922
5 + years	£292,438	£325,762	£358,570
Total	£4,704,442	£10,129,044	£4,896,997

8.4.2 Of the outstanding debt, the table below sets out the split in aged debt between Housing Benefits and the rest of the services at the end of September 2017. Housing Benefits makes up two thirds of the outstanding sundry debt at the Council and owing to the circumstances of the debtors takes much longer to recover.

Age of Debt	Housing Benefits	Other Sundry Debt	Total
Up to 29 days (current)	£63,342	£1,203,523	£1,266,865
30 days – 1 Year	£604,964	£703,022	£1,307,986
1 – 2 years	£478,053	£110,690	£588,743
2 –3 years	£757,176	£59,457	£816,633
3 – 4 years	£193,426	£81,852	£275,278
4 – 5 years	£152,207	£130,715	£282,922
5 + years	£237,753	£120,817	£358,570
Total	£2,494,871	£2,410,076	£4,896,997

8.5 DEBT WRITE-OFFS

8.5.1 The following amounts have been written-off during 2017/18, Housing Benefit overpayments are being newly reported and therefore there are no comparatives:

	2016/17 total	2017/18 (Qtr 2)
• Council Tax	£341,926	£188,906
• Business Rates	£274,428	£0
• Sundry Debt	£44,459	£69,883
• Housing Rents	£48,478	£60,557
• HB Overpayments		£106,149

8.6 CREDITOR PAYMENTS PERFORMANCE

8.6.1 Creditors' payments continue to be monitored in spite of the withdrawal of statutory performance indicator BVPI8. The percentage paid within 30 days was 93.90% for the first half of 2017/18 compared with 93.15% for 2016/17.

9. How does the decision contribute to the Council's Corporate Plan?

9.1 This is a statement of the projected financial position to the end of the 2017/18.

10. What risks are there and how can they be reduced?

10.1 The risks relate to overspending the Council budget and are mitigated by regular reporting to the Strategic Management Board and Members.

11. What is the impact of the decision on equality and diversity; health and wellbeing; safeguarding children, young people and vulnerable adults, community safety and the environment?

11.1 Not applicable

12. Are there any other options?

12.1 Not applicable

Assistant Director Finance

Local Government (Access to Information) Act 1972 (as amended)

Background papers used in compiling this report:-

None

Contact for enquires:
Democratic Services (Committees)
Room 2.3
01392 265275

**HOUSING REVENUE ACCOUNT
2017/18 REVENUE ESTIMATES - SUMMARY
as at 30 September 2017**

ACTUAL TO DATE			YEAR END FORECAST			
PROFILED BUDGET	ACTUAL TO DATE	VARIANCE TO DATE	Code	APPROVED BUDGET	Qrt 2 FORECAST VARIANCE	CURRENT OUTTURN FORECAST
£	£	£		£	£	£
312,489	227,549	(84,940)	85A1	1,060,395	(80,800)	979,595
573,604	566,794	(6,810)	85A2	1,299,180	26,000	1,325,180
185,932	99,609	(86,323)	85A3	538,660	(84,210)	454,450
3,142,533	2,196,840	(945,693)	85A4	6,148,870	(355,000)	5,793,870
0	0	0	85A5	6,496,640	(2,700,000)	3,796,640
2,935,930	3,000,614	64,684	85A6	2,935,930	64,684	3,000,614
604,560	512,869	(91,691)	85A7	1,445,000	(186,800)	1,258,200
(9,647,910)	(9,522,081)	125,829	85A8	(19,295,820)	(20,000)	(19,315,820)
0	0	0	85B2	1,858,760	(80,000)	1,778,760
			85B4	(2,487,615)	3,416,126	928,511
				0	0	0
			Net Expenditure			
			Working Balance 1 April 2017	8,567,454	31 March 2018	9,495,965

COUNCIL OWN BUILD SITES

PROFILED BUDGET	ACTUAL TO DATE	VARIANCE TO DATE	Code	APPROVED BUDGET	Qrt 2 FORECAST VARIANCE	CURRENT OUTTURN FORECAST
£	£	£		£	£	£
4,671	3,682	(989)	H005	14,120	(2,000)	12,120
(5,244)	(5,643)	(399)	H006	(10,480)	0	(10,480)
(27,266)	(35,521)	(8,255)	H007	(59,550)	(5,000)	(64,550)
0	0	0	H008	6,980	0	6,980
0	0	0	H009	12,960	0	12,960
			H010	35,970	7,000	42,970
				0	0	0
			Net Expenditure			
			Working Balance 1 April 2017	208,097	31 March 2018	251,067

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GENERAL FUND
2017/18 REVENUE ESTIMATES - SUMMARY
as at 30 September 2017

	Annual Budget	Supplementary Budgets	Revised Annual Budget	Year End Forecast	Variance to Budget
	£	£	£	£	£
SCRUTINY - PEOPLE	3,511,870	(699,880)	2,811,990	2,934,770	122,780
SCRUTINY - PLACE	8,474,940	(1,903,210)	6,571,730	6,733,150	161,420
SCRUTINY - CORPORATE	3,941,210	3,982,120	7,923,330	7,897,180	(26,150)
less Notional capital charges	(3,075,760)		(3,075,760)	(3,075,760)	0
<u>Service Committee Net Expenditure</u>	12,852,260	1,379,030	14,231,290	14,489,340	258,050
Net Interest	150,000		150,000	0	(150,000)
New Homes Bonus	(3,597,202)		(3,597,202)	(3,597,202)	0
Revenue Contribution to Capital	0		0	0	0
Minimum Revenue Provision	764,028		764,028	647,722	(116,306)
Voluntary Revenue Provision	1,000,000		1,000,000	1,000,000	0
<u>General Fund Expenditure</u>	11,169,086	1,379,030	12,548,116	12,539,860	(8,256)
Transfer To/(From) Working Balance	(73,479)	(1,379,030)	(1,452,509)	(1,451,053)	1,456
Transfer To/(From) Earmarked Reserves	769,202		769,202	442,462	(326,740)
<u>General Fund Net Expenditure</u>	11,864,809	0	11,864,809	11,531,269	(333,540)
Formula Grant	(5,177,000)		(5,177,000)	(5,177,000)	0
Business Rates Growth / Pooling Gain	(1,350,000)		(1,350,000)	(1,016,460)	333,540
CIL Income	0		0	0	0
Council Tax	(5,337,809)		(5,337,809)	(5,337,809)	0
	0	0	0	0	0
Working Balance	March 2017	£ 5,264,841		£ 3,813,788	March 2018

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EXETER CITY COUNCIL

REPORT TO: SCRUTINY COMMITTEE – CORPORATE
EXECUTIVE
COUNCIL

DATE OF MEETING: CORPORATE – 23 NOVEMBER 2017
EXECUTIVE – 12 DECEMBER 2017
COUNCIL – 19 DECEMBER 2017

REPORT OF: CHIEF FINANCE OFFICER
TITLE: TREASURY MANAGEMENT 2017-18 – HALF YEAR UPDATE

Is this a Key Decision?

No

Is this an Executive or Council Function?

Council

1. What is the report about?

To report on the current Treasury Management performance for the 2017-18 financial year and the position regarding investments and borrowings at 30 September 2017. The report is a statutory requirement and is for information only with no key decisions required.

2. Recommendations:

That Scrutiny and Executive note the Treasury Management report in respect of the first six months of the 2017-18 financial year.

That Executive approve the revised Treasury Management Strategy which includes a request to increase the limit for investment in Property Funds from £5m to £10m.

3. Reasons for the recommendation:

It is a statutory requirement for the Council to publish regular reports on Treasury Management to Council. This includes an annual Treasury Management Strategy and half yearly report and a year-end report as a minimum.

4. What are the resource implications including non financial resources

The report is an update on the overall performance in respect of treasury management for the first six months of the 2017-18 financial year. Therefore, there are no financial or non financial resource implications.

5. Section 151 Officer comments:

The request to increase the maximum to be invested in the Property Fund will allow the Council to increase investment returns. It must be noted that it will only be used if the Government reinstate the statutory override that the CCLA Property Fund currently has. If this is not reinstated then the Council will not invest any further, although there are no plans to remove the existing investment.

The net interest position is based on the Council not borrowing further. This position is being regularly reviewed.

6. What are the legal aspects?

In February 2012 the Council adopted the updated *CIPFA Treasury Management in the Public Services: Code of Practice*, which requires the Council to report on its performance at the end of each financial year. Adoption of the Code is required by regulations laid under the Local Government Act 2003.

7. Monitoring Officer's comments:

This report raises no issues for the monitoring officer.

8. Report Details:

8.1 Economic Context and Interest Rate Prospects

In November, the Bank of England's Monetary Policy Committee (MPC) met widely-held market expectations and voted 7-2 in favour of raising Bank Rate to 0.50% (from 0.25%). Policymakers dampened expectations of further near-term rises, indicating that the Bank of England expects the CPI inflation rate to return to the 2% target based on the market expectation of two further Bank Rate hikes over the next three years.

The likelihood of any additional monetary tightening depends partly of the progress of the outcome of the EU Brexit negotiations and how household and business confidence react to the on-going process.

The Authority's treasury management advisors are not convinced the UK's economic outlook justifies further monetary tightening and are therefore projecting Bank Rate to remain at 0.50% for the foreseeable future.

8.2 Treasury Management Strategy

The Council approved the 2017-18 treasury management strategy at its meeting on 21 February 2017. There were no significant changes to strategy, the stated investment strategy was to continue to hold only small surplus funds and to seek to utilise its Call Accounts, Money Market Funds, use the Government's Debt Management Office and use short dated deposits which would be placed with Local Authorities.

The strategy for In-house investments included approval to invest in Property Funds. The council has made 2 investments in the CCLA – LAMIT property fund (April and November 2016). This report is requesting an increase in the limit for investment in Property Funds from £5m to £10m. The yield from the Property Fund has been in the region of 4.5% to 4.6% in this financial year, which is significantly higher than the returns on other investment options available (Appendix B – 4.3).

The Council's stated borrowing strategy was to maintain, and if possible reduce, short-term borrowing as long as rates remained low. With short-term interest rates currently much lower than long-term rates, it continues to be more cost effective in the short term to not borrow and reduce the level of investments held instead. The Council is currently borrowing over 1 or 2 year periods.

If required, the council may arrange forward starting loans during the year, where the interest rate is fixed in advance, but the cash is received in a later period. The Council has arranged a forward starting loan, details are included in section 10.2 below.

8.3 Net Interest Position

The General Fund shows an improvement against the estimate for net interest payable, the position is:

	Estimate £	Sep-17 £	Estimated Outturn £	Variation £
Interest paid	170,000	85,000	140,760	(29,240)
Interest earned				
Temporary investment interest	(273,070)	(136,535)	(165,230)	107,840
Other interest earned	(420)	(210)	(180)	240
Science Park Loan	(25,780)	(12,890)	(25,780)	0
CVS Loan			(19,530)	(19,530)
Less				
Interest to HRA	178,740	89,370	178,470	(270)
Interest to s106 agreements	95,930	47,965	89,540	(6,390)
Interest to Trust Funds	4,500	2,250	4,170	(330)
Lord Mayors Charity	100	50	100	0
GF interest (received) / paid out	(20,000)	(10,000)	61,560	121,470
Net Interest	150,000	75,000	202,320	52,320
CCLA – LAPF Dividend			(250,000)	(250,000)
Investment Loss – General Fund	0	0	0	0
Net Interest	150,000	75,000	(47,680)	(197,680)

8.4 The other interest earned relates to car loan repayments.

9. Investment Interest

The Council is utilising the Government's Debt Management Office account and call accounts with Handelsbanken and Barclays. Appendix A sets out the institutions that the Council can use for deposits – this is known as our Counterparty list.

The Council has five Money Market Funds. The money market funds allow immediate access to our funds and spreads risk as it is pooled with investments by other organisations and invested across a wide range of financial institutions.

The Council made an investment in the CCLA's LAMIT Property Fund in 2016. It should be noted that investments in property funds are a long term commitment which means that there can be fluctuations on the return from the investment. Details of the yield on this investment is included in 9.1.

The Council's current investments are:

Money Market Funds

Amount	Investment	Interest rate*
£1,000,000	Amundi Asset Management	0.24%
£500,000	Federated Investors UK	0.20%

* Interest rate is variable (therefore this is based on past performance)

Fixed Term Deposits - Current

Amount	Investment	Interest rate	Date Invested	No of Days
£5,000,000	Lancashire County Council	0.50%	19/04/17	275
£5,000,000	Guildford Borough Council	0.38%	28/04/17	214
£3,000,000	Fife Council	0.30%	01/06/17	183
£3,000,000	Rugby Borough Council	0.27%	13/06/17	183
£2,000,000	North Wales Fire Authority	0.30%	22/06/17	183
£5,000,000	Lincolnshire County Council	0.28%	02/08/17	239
£3,000,000	Stirling Council	0.25%	04/08/17	185
£3,000,000	Southend On Sea Council	0.27%	17/08/17	153
£3,000,000	Surrey Heath Borough Council	0.23%	07/09/17	91
£4,000,000	Suffolk County Council	0.32%	20/09/17	219

Fixed Term Deposits – Forward Deals

Amount	Investment	Interest rate	Date Invested	No of Days
£5,000,000	Guildford Borough Council	0.55%	28/11/17	364
£5,000,000	Leeds City Council	0.40%	01/12/17	182

Property Funds

Amount	Investment	Dividend Yield
£5,000,000	CCLA – LAMIT Property Fund	4.60%

10. Borrowings

The Council's short term borrowing is £10m, long term borrowing remains at £56.884m. Details of current loans are set out in 10.1. The future cash flow forecast included planned borrowing of £4 million as part of the 2017-18 capital programme, to date this borrowing has not been required.

The ongoing borrowing requirement will be monitored and a decision of whether to take the planned borrowing will be made in light of need and current and forecast interest rates. If additional borrowing is required advice will be sought from the treasury management advisors in order that the most cost effective form of borrowing can be secured.

10.1 Current Borrowing

Amount	Lender	Interest rate	Date of repayment
£10,000,000	Oxfordshire County Council	0.98%	01/02/2018
£56,884,000	PWLB	3.48%	28/03/2062

- 10.2 The Council has agreed a forward starting loan to replace the £10m maturity which is due to be repaid on 1 February 2018, details of the loan are:

Amount	Lender	Interest rate	Date of repayment
£10,000,000	London Borough of Wandsworth	0.90%	05/12/2019

11. Future Position

As interest rates remain very low, the Council will continue to utilise short term borrowing to manage its cashflow. Current rates for borrowing are between 0.40% and 0.50% for up to 1 year and the Council will continue to borrow for 1 or 2 year periods.

- 11.1 The Council's five Money Market Funds which are AAA rated, currently offer rates between 0.18% and 0.24%, the rates are liable to fluctuation in the year. The call accounts offer between 0.05% and 0.15% for the average annual balance.

The short term investments that are made through the call accounts and money market funds ensure cash can be accessed immediately. This has an ongoing impact on returns but increases the security of our cash.

- 11.2 We will also lend, when possible, to institutions on the Council's counterparty list which includes other Local Authorities, UK and Foreign owned banks, building societies and the Debt Management Office. However, the rates received are between 0.23% and 0.50%.
- 11.3 Officers have regular meetings with the treasury management advisors in order to seek advice on how to maximise investment returns and to minimise the need to borrow whilst taking into account investment risk.
- 11.4 We continually explore the possibility of widening the investment options available to the Council. If the options are proved to be of interest, and viable, they will be included in the treasury management strategy which is presented to committee for approval in February 2018.

13. How does the decision contribute to the Council's Corporate Plan?

Treasury Management supports the Council in generating additional funds for investing in Services, whilst minimising the amount of interest paid on borrowings. It does not in itself contribute to the Council's Corporate Plan.

14. What risks are there and how can they be reduced?

The council uses treasury management advisors who continually provide updates on the economic situation, interest rates and credit ratings of financial institutions. They also provide a counterparty list which details the financial institutions which meet the council's treasury management strategy.

15. What is the impact of the decision on equality and diversity; health and wellbeing; safeguarding children, young people and vulnerable adults, Economy safety and the environment?

No impact.

16. Are there any other options?

No.

David Hodgson, Chief Finance Officer

Author: Paul Matravers, Principal Accountant

Local Government (Access to Information) Act 1972 (as amended)

Background papers used in compiling this report:

None

Contact for enquiries:

Democratic Services (Committees)

Room 2.3

(01392) 265275

Name	COUNTRY	Moody's Short Term Rating	Fitch Short Term Rating	Investment Limit	Banking Group	Maximum Recommended Duration
UNITED KINGDOM: BANKS						
BANK OF SCOTLAND PLC	GB	P-1	F1	3,000,000	Lloyds Banking Group	6 months
LLOYDS BANK PLC	GB	P-1	F1	3,000,000		6 months
BARCLAYS BANK PLC	GB	P-1	F1	3,000,000		100 days
HSBC BANK PLC	GB	P-1	F1+	4,000,000		6 months
STANDARD CHARTERED BANK	GB	P-1	F1	3,000,000		100 days
UK: BUILDING SOCIETIES						
COVENTRY BUILDING SOCIETY	GB	P-1	F1	3,000,000		6 months
NATIONWIDE BUILDING SOCIETY	GB	P-1	F1	3,000,000		6 months
UK: LOCAL AUTHORITIES						
CORNWALL COUNCIL	GB					4 years +
GREATER LONDON AUTHORITY	GB					4 years +
GUILDFORD BOROUGH COUNCIL	GB					4 years +
KENSINGTON & CHELSEA ROYAL BOROUGH	GB					4 years +
LANCASHIRE COUNTY COUNCIL	GB					4 years +
TRANSPORT FOR LONDON	GB	P-1	F1+			10 years
BOROUGH OF WANDSWORTH	GB		F1+			4 years +
WARRINGTON BOROUGH COUNCIL	GB					4 years +
UK: OTHER INSTITUTIONS						
LCR FINANCE PLC	EN					15 years
NETWORK RAIL INFRASTRUCTURE	GB	P-1	F1+			15 years
UK GOVERNMENT	GB		F1+			50 years
WELLCOME TRUST FINANCE PLC	GB					20 years
COMMONWEALTH OF AUSTRALIA						
AUST AND NZ BANKING GROUP	AU	P-1	F1+	3,000,000		6 months
COMMONWEALTH BANK OF AUSTRAL	AU	P-1	F1+	3,000,000		6 months
NATIONAL AUSTRALIA BANK LTD	AU	P-1	F1+	3,000,000		6 months
WESTPAC BANKING CORP	AU	P-1	F1+	3,000,000		6 months
GOVERNMENT OF CANADA						
BANK OF MONTREAL	CA	P-1	F1+	3,000,000		6 months
BANK OF NOVA SCOTIA	CA	P-1	F1+	3,000,000		6 months
CAN IMPERIAL BK OF COMMERCE	CA	P-1	F1+	3,000,000		6 months
ROYAL BANK OF CANADA	CA	P-1	F1+			6 months
TORONTO-DOMINION BANK	CA	P-1	F1+	3,000,000		6 months
FEDERAL REPUBLIC OF GERMANY						
KREDITANSTALT FUER WIEFERAUF	GE	P-1	F1+	3,000,000		25 years
LANDESBANK HESSEN-THURINGEN	GE	P-1	F1+	3,000,000		6 months
LANDESKRED BADEN-WUERTT FOER	GE	P-1	F1+	3,000,000		25 years
LANDWIRTSCHAFTLICHE RENTENBA	GE	P-1	F1+	3,000,000		25 years
LAND SACHSEN-ANHALT	GE	P-1	F1+	3,000,000		15 years
KINGDOM OF THE NETHERLANDS						
BANK NEDERLANDSE GEMEENTEN	NE	P-1	F1+	3,000,000		5 years
COOPERATIEVE RABOBANK UA	NE	P-1	F1+	3,000,000		13 months
REPUBLIC OF SINGAPORE						
DBS BANK LTD	SI	P-1	F1+	3,000,000		13 months
OVERSEA-CHINESE BANKING CORP	SI	P-1	F1+	3,000,000		13 months

Exeter City Council - Money Market Funds

Money Market Fund	Place of Domicile	Moody's Long-Term Ratings	Fitch Long-Term Rating	Rate	Fund Size (29 September 2017) £bn	Max recommended investment (0.5% of fund size*) £m
AMUNDI INVESTORS	LX	-	AAAmf	0.24%	0.91	18.20
STANDARD LIFE (FORMERLY IGNIS) LIQUIDITY FUNDS	IR	-	AAAmf	0.21%	14.82	74.10
FEDERATED INVESTORS (UK)	GB	-	AAAmf	0.20%	2.95	14.80
BLACKROCK	IR	Aaa-mf	-	0.18%	37.48	187.40
CCLA - PSDF	GB	-	AAAmf	0.18%	0.49	2.50

Other Money Market Funds Available

Money Market Fund	Place of Domicile	Moody's Long-Term Ratings	Fitch Long-Term Rating	Rate	Fund Size (29 September 2017) £bn	Max recommended investment (0.5% of fund size*) £m
BNP PARIBAS ASSET MANAGEMENT	LX	-	Aaa-mf	0.23%	1.99	9.90
INVESCO AIM	IR	AAAmf	Aaa-mf	0.20%	1.87	9.40
STATE STREET GLOBAL ADVISORS ASSET MANAGEMENT	IR	AAAmf	Aaa-mf	0.20%	3.63	18.20
AVIVA INVESTORS	IR	-	Aaa-mf	0.18%	20.51	102.60
MORGAN STANLEY INVESTMENT MANAGEMENT	IR	AAAmf	Aaa-mf	0.17%	2.53	12.70
GOLDMAN SACHS ASSET MANAGEMENT	IR	AAAmf	Aaa-mf	0.15%	10.67	53.40
INSIGHT INVESTMENTS	IR	AAAmf	-	0.15%	23.03	115.20
ABERDEEN ASSET MANAGEMENT	LX	AAAmf	Aaa-mf	0.14%	14.82	74.10
J.P.MORGAN ASSET MANAGEMENT	LX	AAAmf	Aaa-mf	0.14%	12.68	63.40
LEGAL & GENERAL INVESTMENT MANAGEMENT	IR	AAAmf	-	0.14%	29.64	148.20
BNY MELLON ASSET MANAGEMENT	IR	-	Aaa-mf	0.13%	2.16	10.80
FIDELITY INTERNATIONAL	IR	-	Aaa-mf	0.13%	1.23	6.10
DB ADVISORS (DEUTSCHE)	IR	-	Aaa-mf	0.12%	6.51	32.50
HSBC ASSET MANAGEMENT	IR	-	Aaa-mf	0.10%	7.03	35.20

APPENDIX B

EXETER CITY COUNCIL

TREASURY MANAGEMENT STRATEGY 2017/18 (Revised October 2017)

1.

Introduction

- 1.1 The Council's strategy is based on the requirements of the DCLG's Guidance on Local Government Investments ("Guidance") and CIPFA's Treasury Management in Public Services: Code of Practice and Cross Sectoral Guidance Notes ("CIPFA TM Code").

2. Economic Context

- 2.1 The medium term outlook for the UK economy is dominated by the negotiations to leave the EU. The long-term position of the UK economy will be largely dependent on the agreements the government is able to secure with the EU and other countries.

Recent data presents a more positive picture for the post-Referendum UK economy than predicted due to continued strong household spending. Over the medium term, economic and political uncertainty will likely dampen investment intentions and tighten credit availability, prompting lower activity levels and potentially a rise in unemployment.

The currency-led rise in CPI inflation (currently 1.2% year/year) will continue, breaching the target in 2017, which will act to slow real growth in household spending due to muted or negative real wage growth.

2.2 Interest rate forecasts

The Authority's treasury advisor Arlingclose projects the UK Bank Rate to remain at 0.25% for the foreseeable future, but advise there is a low possibility of a drop to close to zero.

2.3 *Arlingclose central interest rate forecast – December 2016*

Period	Bank Rate	20-year PWLB rate
Mar 2017	0.25	2.30
June 2017	0.25	2.25
Sept 2017	0.25	2.25
Dec 2017	0.25	2.25
Mar 2018	0.25	2.30
June 2018	0.25	2.30
Sept 2018	0.25	2.30
Dec 2018	0.25	2.35
Mar 2019	0.25	2.40
Jun 2019	0.25	2.45
Sept 2019	0.25	2.50
Dec 2019	0.25	2.55
Mar 2020	0.25	2.60

* The Council can currently borrow from the PWLB at 0.80% above gilt yields

3. Current and Expected Treasury Portfolios

3.1 Investments

3.2 The Council's current investments as at 1st December 2016 was as follows:

Property Funds

Amount	Investment	Dividend Yield
5,000,000	CCLA - LAMIT Fund	4.86%

Money Market Funds

Amount	Investment	Interest Rate
5,000,000	Standard Life	0.43%
5,000,000	Federated Investors	0.41%
1,500,000	Amundi Asset Management	0.34%
1,500,000	BlackRock	0.29%

Fixed Term Deposits

Amount	Investment	Interest Rate	No of Days Invested	Maturity Date
3,000,000	Woking Borough Council	0.35%	182	22/05/2017
3,000,000	Commonwealth Bank of Australia	0.30%	112	30/01/2017
3,000,000	United Overseas Bank	0.28%	91	12/12/2016
3,000,000	Nationwide Building Society	0.28%	91	31/01/2017

Borrowings

3.3 The Council's short term borrowing is currently £10m, this increased from £5m with effect from 1 February 2016. Long term borrowing remains at £56.884m. Details of the loans are set out below.

Existing Loans

Amount	Lender	Interest rate	Date of repayment
£10,000,000	Oxfordshire County Council	0.98%	01/02/2018
£56,884,000	PWLB	3.48%	28/03/2062

3.4 Expected changes

According to current cash flow forecasts, net borrowing is expected to remain at £10 million on 31st March 2017. The future cash flow forecast includes planned borrowing of £3 million as part of the 2017/18 capital programme. The decision of whether to take external long-term borrowing will be made in light of current and forecast interest rates and the decision is delegated to the section 151 Officer and Leader of the Council.

3.5 Budget implications

The net budget for interest payments in 2017/18 is £150,000 in respect of the General Fund. The HRA covers the interest costs relating to the long term borrowing of £56.9 million. If actual levels of investments and borrowing, and actual interest rates differ from those forecast, performance against budget will be correspondingly different.

4. **Investment Strategy**

4.1 The Council holds surplus funds, which represent income received in advance of expenditure plus balances and reserves held. Much of the Council’s cash has been used to reduce the amount of debt taken on during the current financial year. Both the CIPFA Code and the CLG Guidance require the Council to invest its funds prudently, and to have regard to the **security** and **liquidity** of its investments before seeking the highest rate of return, or **yield**.

4.2 Specified Investments

Specified investments are those expected to offer relatively high security and liquidity, and can be entered into with the minimum of formalities. The CLG Guidance defines specified investments as those:

- denominated in pounds sterling,
- due to be repaid within 12 months of arrangement,
- not defined as capital expenditure by legislation, and
- invested with one of:
 - the UK Government,
 - a UK local authority, parish council or community council, or
 - a body or investment scheme of “high credit quality”.

4.3 The Council defines the following as being of “high credit quality” for making specified investments, subject to the monetary and time limits shown.

In-house investment	Monetary limit¹	Time limit
UK owned banks and building societies holding short-term credit ratings no lower than F1+ and P-1	£4m each	12 months
Foreign owned banks that deal in sterling holding short-term credit ratings no lower than F1+ and P-1	£3m each	6 months
UK owned banks and building societies holding short-term credit ratings no lower than F1 and P-1	£3m each	3 months
Money market funds ² and similar pooled vehicles holding the highest possible credit ratings (AAA)	£5m each	3 months
Property Funds	£10m each	3 months
UK Central Government	no limit	12 months
UK Local Authorities ³ Upper Tier Lower Tier	£5m each £3m each	12 months 12 months

- ¹ banks within the same group ownership are treated as one bank for limit purposes
² as defined in the Local Authorities (Capital Finance and Accounting) Regulations 2003
³ as defined in the Local Government Act 2003

4.4 The maximum that will be lent to any one organisation (other than the UK Government) will be £5 million. For an individual bank, the limit is £4 million. A group of banks under the same ownership will be treated as a single organisation for limit purposes.

4.5 Non specified Investments

- No non specified investments will be made by the Council.

4.6 Foreign countries

Investments in foreign countries will be limited to those that hold a AAA or AA+ sovereign credit rating from all three major credit rating agencies, and to a maximum of £3 million per country. Only banks that are domiciled in the UK but are owned in another country will be used and need to meet the rating criteria of and will count against the limit for both countries. There is no limit on investments in the UK.

4.7 Liquidity management

The Council uses purpose-built cash flow forecasting software to determine the maximum period for which funds may prudently be committed. The forecast is compiled on a pessimistic basis, with receipts under-estimated and payments over-estimated to minimise the risk of the Council being forced to borrow on unfavourable terms to meet its financial commitments.

Limits on long-term investments are set by reference to the Council's medium term financial plan and cash flow forecast.

4.8 Credit ratings

The Council uses credit ratings from two main rating agencies Fitch Ratings Ltd and Moody's Investors Service to assess the risk of loss of investments. The lowest available credit rating will be used to determine credit quality.

Credit ratings are obtained and monitored by the Council's treasury advisers, who will notify changes in ratings as they occur. Where an institution has its credit rating downgraded so that it fails to meet the above criteria then:

- no new investments will be made,
- any existing investments that can be recalled at no cost will be recalled, and
- full consideration will be given to the recall of any other existing investments

Where a credit rating agency announces that it is actively reviewing an organisation's credit ratings with a view to downgrading it so that it is likely to fall below the above criteria, then no further investments will be made until the outcome of the review is announced.

4.9 Other information on the security of investments

Full regard will be given to other available information on the credit quality of banks and building societies, including credit default swap prices, financial statements and rating agency reports. No investments will be made with an organisation if there are substantive doubts about its credit quality, even though it may meet the above criteria.

4.10 Investment instruments

Investments may be made using any of the following instruments:

- interest paying bank accounts
- fixed term deposits
- call or notice deposits (where the Council can demand repayment)

- certificates of deposit
- treasury bills and gilts issued by the UK Government
- bonds issued by multilateral development banks
- shares in money market funds

5. Planned investment strategy for 2017/18 – In-house

- 5.1 The cash flow forecast will be used to divide surplus funds into three categories:
- Short-term – cash required to meet known cash outflows in the next month, plus a contingency to cover unexpected cash flows over the same period.
 - Medium-term – cash required to manage the annual seasonal cash flow cycle, including amounts to cover forecast shortages, planned uses of reserves, and a longer-term contingency.
 - Long-term – cash not required to meet cash flows, and used primarily to generate investment income.
- 5.2 The Council's in-house managed funds are based on the likely cash-flow position and rarely exceed three months. Investments will be made to ensure that cash flow is protected and borrowing is minimised. However, on occasion, money has been invested for a longer period up to 364 days. These are funds which are not required for day-to-day cash management purposes.
- 5.3 The Council will seek to utilise its call accounts (which are linked to base rate), money market funds (Standard Life, Blackrock, Federated, Amundi and CCLA) and use short-dated deposits to ensure liquidity of assets for day-to-day cashflow. Although these are essentially cash, a monetary limit in line with the banks credit rating is retained on the accounts. The Council will also make use of the Government's Debt Management Office to ensure the highest possible security for cash. Additionally, the Council will hold a balance on its general account to cover any payments due. On occasion, where significant payments are to be made, there may be in excess of £3 million in this account.
- 5.4 The 2016/17 strategy requested approval to allow investments to be made in property funds. Such funds are pooled investment products and are accessed on a traded share basis rather than a fixed cash deposit sum. The investment in the property fund is a long term commitment which means that there has been a small fluctuation on the return from the investment to date and this will continue to be the case.

An initial amount of £3m was placed in the fund in April 2016 with a further £2m added at the end of November. The dividend yield on this investment is currently 4.86% and it has fluctuated between 4.8% and 5% between April and November.

6. Borrowing Strategy

- 6.1 The Council's capital financing requirement (CFR, or underlying need to borrow) as at 31st March 2017 is expected to be £96.1 million, and is forecast to rise to £110.5 million by March 2018 as capital expenditure is incurred.
- 6.2 The maximum expected long-term borrowing requirement for 2017/18 is:

	£m
Not borrowed in previous years	39.2
Long term borrowing (HRA)	56.9

Forecast increase in CFR	14.4
Loans maturing in 2016/17	0.0
TOTAL	110.5

6.3 The Council made a one-off payment on 28 March 2012, to buy itself out of the HRA subsidy system. The final settlement figure of £56.884 million was confirmed in February 2012. The amount was borrowed from the Public Works Loans Board over a 50 year period and is repayable on maturity at the end of the loan term. The interest rate was 3.48% fixed for the term of the loan.

6.4 However, to reduce risk and minimise cost on the General Fund, it has been decided to defer borrowing until later years, and to reduce the size of the Council's investment balance instead.

6.5 In addition, the Council will borrow for short periods of time (normally up to two years) to cover cash flow shortages.

Currently the Council has borrowing of £10 million, which was taken for a period of 2 years at a rate of 0.98%.

6.6 Sources of borrowing

The approved sources of long-term and short-term borrowing will be:

- Public Works Loan Board
- any institution approved for investments above
- any other bank or building society on the Financial Services Authority list.

6.7 Debt instruments

Loans will be arranged by one of the following debt instruments:

- fixed term loans at fixed or variable rates of interest
- lender's option borrower's option (LOBO) loans.

As an alternative to borrowing loans, the Council may also finance capital expenditure and incur long-term liabilities by means of:

- leases
- Private Finance Initiative.

6.8 Borrowing strategy to be followed

With short-term interest rates currently much lower than long-term rates, it continues to be more cost effective in the short-term to not borrow and reduce the level of investments held instead, or to borrow short-term loans. However, with long-term rates forecast to rise in the coming years, any such short-term savings will need to be balanced against potential longer-term costs.

If required, the council may arrange forward starting loans during 2017/18, where the interest rate is fixed in advance, but the cash is received in a later period.

7. **Policy on Use of Financial Derivatives**

7.1 Local authorities have previously made use of financial derivatives embedded into loans and investments both to reduce interest rate risk (e.g. interest rate collars and forward deals) and to reduce costs or increase income at the expense of greater risk (e.g. LOBO loans).

7.2 The Localism Bill 2011 includes a general power competence that removes the uncertain legal position over local authorities' use of standalone financial derivatives (i.e. those that are not embedded into a loan or investment). The latest CIPFA Code

requires authorities to clearly detail their policy on the use of derivatives in the annual strategy.

7.3 The Council will only use standalone financial derivatives (such as swaps, forwards, futures and options) where they can be clearly demonstrated to reduce the overall level of the financial risks that the Council is exposed to. Additional risks presented, such as credit exposure to derivative counterparties, will be taken into account when determining the overall level of risk. Embedded derivatives will not be subject to this policy, although the risks they present will be managed in line with the overall treasury risk management strategy.

7.4 Derivative counterparties

Financial derivative transactions may be arranged with any organisation that meets the approved investment criteria. The current value of any amount due from a derivative counterparty will count against the counterparty credit limit and the relevant foreign country limit.

7.5 In reality, whilst the Council is required to include the above policy, the only type of transaction used is the forward deal, which means the Council agrees to borrow funds at a set price for a set period, in advance of the date the loan is actually taken. This is done to ensure the availability of funds at the time that they are needed.

8. Treasury Management Prudential Indicators

8.1 The Council sets each year, in February, prudential indicators for Treasury Management, to ensure that proper control of borrowing and investing is maintained. These indicators can be found in the Council's budget book.

9. Other Matters

9.1 The revised CLG Investment Guidance also requires the Council to approve the following matters each year as part of the investment strategy:

9.2 Investment consultants

The Council contracts with Arlingclose to provide advice and information relating to its investment and borrowing activities. However, responsibility for final decision making remains with the Council and its officers. The services received include:

- advice and guidance on relevant policies, strategies and reports,
- advice on investment decisions,
- notification of credit ratings and changes,
- other information on credit quality,
- advice on debt management decisions,
- accounting advice,
- reports on treasury performance,
- forecasts of interest rates, and
- training courses.

The quality of the advisory service is monitored by the Assistant Director Finance.

9.3 Investment training

The needs of the Council's treasury management staff for training in investment management are assessed annually as part of the staff appraisal process, and additionally when the responsibilities of individual members of staff change. Staff regularly attend training courses, seminars and conferences provided by Arlingclose and CIPFA.

9.4 Investment of money borrowed in advance of need

The Council may, from time to time, borrow in advance of spending need, where this is expected to provide the best long term value for money. Since amounts borrowed will be invested until spent, the Council is aware that it will be exposed to the risk of loss of the borrowed sums, and the risk that investment and borrowing interest rates may change in the intervening period. These risks will be managed as part of the Council's overall management of its treasury risks.

The total amount borrowed will not exceed the authorised borrowing limit. The maximum periods between borrowing and expenditure is expected to be two years, although the Council does not link particular loans with particular items of expenditure.

10. Investment Reports

- 10.1 At the end of the financial year, the Council will prepare a report on its investment activity as part of its Annual Treasury Report. Progress will also be reported after six months of the financial year.

CHIEF FINANCE OFFICER
REVISED OCTOBER 2017

REPORT TO: CORPORATE SERVICES SCRUTINY COMMITTEE

Date of Meeting: 23 NOVEMBER 2017

REPORT TO: EXECUTIVE

Date of Meeting: 12 DECEMBER 2017

REPORT TO: COUNCIL

Date of Meeting: 19 DECEMBER 2017

Report of: David Hodgson – Chief Finance Officer
Title: Local Discretionary Relief Scheme

Is this a Key Decision?

Yes

* One that affects finances over £1m or significantly affects two or more wards. If this is a key decision then the item must be on the appropriate forward plan of key decisions.

Is this an Executive or Council Function? Council

1. What is the report about?

This report seeks member's approval for a Local Discretionary Relief Scheme policy – attached at appendix 1 – that determines the level of Discretionary Relief to be granted to certain defined ratepayers within the Council's area. This is as a result of the new Discretionary Relief Scheme announced in the Spring 2017 Budget.

2. Recommendations:

- 2.1 Corporate Services Scrutiny Committee comment and Executive recommend the Policy to Council for approval.
- 2.2 Delegated authority is given to s151 Officer in consultation with the Leader, to review the scheme, and if necessary, increase the maximum threshold, to ensure the Government funding is fully directed to businesses in Exeter.

3. Reasons for the recommendation:

- 3.1 At the Spring Budget, the Government announced the establishment of a £300m discretionary fund over four years from 2017-18 to support those businesses that face the steepest increases in their business rates bills as a result of the 2017 revaluation. Every billing authority in England has been provided with a share of the £300m to support their local businesses, with the expectation of developing local discretionary relief schemes to deliver targeted support to the most hard-pressed ratepayers. This policy will provide a scheme to distribute these funds.
- 3.2 Following the announcement, all s151 Officers of the Devon Authorities were keen to work under a Devon framework, and therefore asked the Devon Revenues & Benefits Group (DrBOG) to produce a policy document that was flexible enough to reflect local issues, funding and political steer. To draw up the policy, common agreement was made by s151 Officers across the following areas:

- 1) Occupied premises only

- 2) Not applicable to new occupiers i.e. those taking up occupation on or after 1 April 2017
- 3) Local businesses only
- 4) A small proportion of funding to be held back for awarding on a case by case basis.
- 5) The majority of funding to be awarded on a formula basis
- 6) A maximum rateable value of £200,000
- 7) An acceptable increase of 2%

3.3 Local discretion has therefore been used to determine:

- 1) Businesses or sectors to be excluded from formula allocation
- 2) A maximum amount of relief that will be awarded
- 3) The percentage of funding kept back for awarding on a case by case basis

4. What are the resource implications including non financial resources.

- 4.1 Exeter City Council will be compensated for the cost to the authority of granting the relief up to a maximum amount based on the authority's allocation of the £300m fund (see section 8.4).
- 4.2 New Burdens funding has been awarded for administering the relief. This will be done by staff within the Local Taxation Team.
- 4.3 Applications received under Part B – case by case basis, will need to be considered by the s151 Officer in consultation with the Leader.

5. Section 151 Officer comments:

- 5.1 The proposed policy would be broadly in line with the rest of Devon and support is focused on local businesses that have suffered an increase in their bills. Whilst the value of the pot is not large, it will bring some relief to businesses that have seen a rise.

6. What are the legal aspects?

- 6.1 As the report identifies, it is for the Council to determine the scope of any discretionary policy. This has been done and the justification/rationale detailed in the report. Should members approve the Policy, then the Council will need to ensure that the Policy is followed when considering whether relief should be granted.
- 6.2 The grant determination states that a condition of the fund is that consultation is undertaken with 'relevant authorities'. Relevant authorities for the purpose of this scheme means:
 - a. Any major precepting authority; and
 - b. Any combined authority

- 6.3 We have consulted with our major precepting authorities on our proposed scheme.

7. Monitoring Officer's comments:

This report raises issues about state aid which have not been raised with Legal Services for advice. Whilst it is likely that the sums involved are likely to be de minimis, the Monitoring Officer suggests that it would be prudent to consult with Legal Services before the scheme is adopted by Council.

8. Report details:

8.1 At the Spring Budget of 2017, the Government announced three measures to help support businesses that had been impacted by the Revaluation. These measures are:

- a. Supporting Small Businesses
- b. Support for Pubs
- c. A local Discretionary Relief Scheme

8.2 The first two measures are summarised as follows:

8.2.1 Supporting Small Businesses

This helps ratepayers who, as a result of the change in rateable value (as at revaluation), are losing some or all of the Small Business Rate relief (SBRR) or Rural Rate Relief and, as a result, are facing large increases in their bills. The Supporting Small Businesses measure means that any business coming out of SBRR will benefit from an extra cap, meaning their rates will not increase by more than £600 per year (£50 per month). Ratepayers can remain in the scheme for 5 years or until they reach the bill they would have paid without the extra cap.

8.2.2 Support for Pubs

This measure gives a discount of £1,000 on business rates bills for pubs with a rateable value of less than £100,000. The discount is for the 2017-18 financial year only. Where pubs are part of a chain, relief will be available for each eligible property in the chain, subject to meeting State Aid requirements.

8.3 As the criteria for these first two measures has been defined by the Government and are fully funded, we have implemented these. More information about these measures is available at <https://www.gov.uk/government/publications/42017-spring-budget-update>

8.4 Billing authorities will be compensated through a Section 31 grant for the cost to the authority of granting the relief. For the first two measures, the cost will be fully met, but for the third measure (the Local Discretionary Relief Scheme), funding will be up to a maximum amount based on the authority's allocation of the £300m fund. Exeter's share of the fund is as follows;

2017/18 - £357,000
2018/19 - £174,000
2019/20 - £71,000
2020/21 - £10,000

8.5 It is for each local authority to develop their own scheme.

8.6 The scheme proposed in the attached policy fulfils the seven common criteria of the Devon framework as detailed in section 3.2.

8.7 In assessing any potential entitlement to an award under this scheme the Council will compare:

- The rate liability of the ratepayer as at 31 March 2017 after any reliefs and reductions; and

- The rate liability of the ratepayer as at 1 April 2017 taking into account any transitional relief, relief or reductions.

8.8 There are 2 parts to the scheme for consideration;

Part A – formula based for the financial years 2017/18 and 2018/19 only

Part B – on a case by case basis for the 4 financial years from 2017/18

8.9 Part A – formula based criteria (all criteria must be met)

8.9.1 Relief can only be awarded where the comparison in 8.7 results in an increase of more than 2%. No relief will be given for the first 2% increase.

8.9.2 For the 2017/18 financial year, relief will be paid up to maximum of £5,000 (to be reviewed by 31 January 2018 by the s151 Officer in consultation with the Leader, to consider whether the thresholds should be increased to ensure that Government funding is being fully directed to ratepayers in Exeter). For the 2018/19 financial year the amount awarded will be 50% of what was awarded in the 2017/18 financial year.

8.9.3 Relief will only be granted to premises that are liable for occupied rates. No relief will be awarded to empty premises.

8.9.4 Relief will only be granted to ratepayers who were in occupation at 31 March 2017 and still in occupation on 1 April 2017 and for each day subsequent.

8.9.5 Ratepayers taking up occupation on or after 1 April 2017 will not be eligible for relief on the basis that new ratepayers would not have suffered from increases as a result of the Revaluation.

8.9.6 Relief will be targeted at local businesses. For the purpose of this scheme, local businesses are those which have premises wholly or predominately in the Devon area.

8.9.7 Relief may be awarded to a ratepayer who has more than one premises, as long as all other criteria is met.

8.9.8 Relief under Part A will not be awarded where:

- The rateable value exceeds £200,000
- The ratepayer is a national or public body
- The ratepayer has been granted a reduction under S44A of the Local Government Finance Act 1988

8.9.9 Relief under Part A will not be awarded to the following types of business or sectors:

- Betting and gambling premises
- Banks and Building Societies
- Cash Machines/ATMs
- Accountants, Insurance Agents and Financial Advisors
- Pawnbrokers and pay day lenders and similar
- Solicitors and law agencies
- Telecommunications network facilities
- Doctors and GP surgeries
- Supermarkets and discount stores

8.9.9 Additional discretionary relief will not be awarded for rateable value increases after 1 April 2017.

8.9.10 Pubs that meet the criteria under the Government's £1,000 Supporting Pubs Scheme will be able to apply for the difference to bring them up to the £5,000 threshold for 2017/18. For 2018/19, relief will be awarded at 50%. Pubs will be required to apply (where they meet the criteria) for the Government's Supporting Pub Relief first before being considered for the additional relief.

8.9.11 Ratepayers that could qualify for other reliefs such as SBRR, Charity Relief etc. must apply for those reliefs first.

8.10 **Part B – Case by case basis**

8.10.1 Where any ratepayer can demonstrate that they have experienced financial difficulties as a result of the Revaluation, the Council will consider these on a cases by case basis. The Council will take into account:

- The amount of the increase in rate liability due to the Revaluation
- The amount of rates in relation to other business expenses and income of the business
- The amount of reserves held by the business
- The ability of the business to pay the increase

8.11 **Reasons for adopting this Scheme**

- Having a mainly formula based scheme for years 1 and 2 means we can identify and then target the support to businesses impacted by the Revaluation
- This scheme ensures that the funding made available by the Government is passed on to those ratepayers impacted by the Revaluation
- The formula based scheme will be easy to administer as it will be easy to identify the qualifying businesses and automatically send them an application form
- This scheme allows for individual businesses that do not meet the formula based criteria to apply
- Under part A of the Scheme (formula based criteria – section 8.9), it is estimated that approximately 370 businesses would benefit from this relief, which for 2017/18 will cost in the region of £312k, giving a potential pot of £45k (12% of funding) for relief awarded under part B of the Scheme (case by case basis – section 8.10).

8.12 Estimating the costs has been extremely difficult as we do not know from our data whether businesses will meet all the criteria such as State Aid rules or being predominantly based in Devon. This is why it is recommended that the maximum threshold level can be increased by the s151 Officer in consultation with the Leader, to ensure that Government funding is being fully directed to support eligible businesses who are impacted by Revaluation.

8.13 Ratepayers have to apply for the relief. As Discretionary Relief falls under State Aid, we will require a declaration from the ratepayer that they do not breach State Aid

rules. The application will also include a declaration regarding trading only or predominantly in Devon.

- 8.14 Relief is calculated on a daily basis, so if a business vacates part way through the qualifying period, then the relief will be apportioned accordingly.
- 8.15 Underspent funding cannot be carried forward to the next financial year. Any overspend cannot be carried forward either, and if we spend above the Government allocated funding for Exeter, the cost to the Council will be approximately 40% of the overspent amount.
- 8.16 As the Government will be reimbursing local authorities by way of a Section 31 Grant payment, the following conditions need to be met:
- Funding is capped based on allocation levels in section 8.4
 - The grant must be used to support only ratepayers facing an increase in their Business Rate bills following the 2017 Revaluation
 - A qualifying business that is entitled to other reliefs must apply for those reliefs first
 - The grant determination is conditional that the billing authority has consulted with major precepting authorities.

9. How does the decision contribute to the Council’s Corporate Plan?

This local Discretionary Relief Scheme supports the Corporate purpose of ‘Help me run a successful business in Exeter’.

10. What risks are there and how can they be reduced?

If the scheme costs exceed Government funding then the overspend will need to be met by the pool, however extensive modelling has been undertaken to establish a maximum threshold that will keep the overall cost below the allocated funding, whilst still allowing for a contingency fund for those ratepayers applying under Part B – case by case basis.

Schemes can be subject to legal challenge.

11. What is the impact of the decision on equality and diversity; health and wellbeing; safeguarding children, young people and vulnerable adults, community safety and the environment?

As this policy relates to Business Rates, the impact is deemed to be low.

12. Are there any other options?

The Government expects all local authorities to have a local discretionary relief scheme in place and has provided new burdens funding to each billing authority, with an additional payment due once rebilling costs can be established in the light of actual numbers of businesses receiving relief. The attached policy determines a scheme that will support those local businesses facing the steepest increase in their Business Rates bill as a result of the 2017 Revaluation, however Members have discretion to decide the contents of the scheme, and to agree funding above the allocated level of funding.

David Hodgson
Chief Finance Officer

Local Government (Access to Information) Act 1972 (as amended)

Background papers used in compiling this report:-

None

Contact for enquires:

Democratic Services (Committees)

Room 2.3

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Policy for the granting of Discretionary Relief

Version Control

<i>Version</i>	<i>Version date</i>	<i>Revised by</i>	<i>Description</i>
1	June 2017	LM	Policy
2	June 2017	DA	Sign off
3	July 2017	LM	Amendments per LJ
4	August 2017	DA	Sign off
5	September 2017	LM	Amendments LJ
6	October 2017	LF	Amendments LF

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1.0 Purpose of the Policy

- 1.1 The purpose of this policy is to determine the level of Discretionary Business Rates Relief to be granted to certain defined ratepayers within the Council's area.
- 1.2 The Local Government Finance Act 1988 and subsequent legislation allows the Council to grant discretionary relief for premises occupied by Charities and similar organisations that own or occupy them wholly or mainly for charitable purposes. Likewise, certain premises situated within a rural settlement area will be eligible for relief. Powers have also been granted under the Localism Act 2011, which allow for the granting of discretionary rate relief to any premises where the Council feels the granting of such relief would be of benefit to the local community.
- 1.3 In addition to the above, Central Government is keen that, in certain cases, assistance should be provided to businesses who have had increases in their rate liability due to the revaluation of premises in April 2017. In these cases, and where the Council meets Central Government guidelines, grants are available under section 31 of the Local Government Act 2003.
- 1.4 Whilst the Council is obliged to grant relief to premises, which fall within the mandatory category, the Council also has powers to grant discretionary relief and reductions to ratepayers, subject to certain criteria being met.
- 1.5 This document outlines the following areas:
 - Details of the criteria for receiving an award under the Local Discretionary Relief Scheme;
 - The Council's general policy for granting of all types of Discretionary Reliefs;
 - Guidance on granting and administering the reliefs;
 - European Union requirements including provisions for State Aid; and
 - The Council's Scheme of Delegation.
- 1.6 This document covers all aspects of the new Discretionary Relief Scheme which is available from 1st April 2017. Where businesses apply for relief they will be granted (or not granted) relief in line with the following policy.

2.0 Discretionary Relief – Legislative Background

Introduction

- 2.1 The original purpose of discretionary relief was to provide assistance where the property does not qualify for mandatory relief, or to ‘top’ up cases where ratepayers already receive mandatory relief.
- 2.2 Over recent years, and particularly since 2011, the discretionary relief provisions have been amended to allow authorities the flexibility to provide more assistance to businesses and organisations.
- 2.3 The range of bodies, which are eligible for discretionary rate relief, is wide and has been developed by both the Council and Central Government to address certain issues with business rates.
- 2.4 Unlike mandatory relief, ratepayers are obliged to make a written application to the Council. The Council will expect all businesses to make applications in such a format as is required (which may vary from time to time) and for the business to provide such information, evidence, certificates etc. as required in order to determine whether relief should be awarded.
- 2.5 The Council is obliged to consider carefully every application on its merits, taking into account the contribution that the organisation makes to the amenities within the authority’s area. There is no statutory appeal process or Tribunal against any decision made by the Council, although as with any decision of a public authority, decisions can be reviewed by Judicial Review. The authority will however, upon request, review decisions made. Details of the internal review process are given within this policy.
- 2.6 The granting of discretionary relief falls broadly into the following categories:
 - a. Discretionary Relief – Charities who already receive mandatory relief;
 - b. Discretionary Relief – Premises occupied by organisations not established or conducted for profit whose main objects are charitable or are otherwise philanthropic or religious or concerned with education, social welfare, science, literature or the fine arts **or** premises occupied by organisations not established or conducted for profit and wholly or mainly used for purposes recreation;
 - c. Discretionary Relief – Granted under the Localism Act 2011 provisions;
 - d. Local Newspaper Relief (from 1st April 2017 for a period of two years);
 - e. Local Public House Relief (from April 2017 for a one year period);
 - f. Supporting Small Businesses Relief (from 1st April 2017 for a period of five years or until businesses pay their full rate charge or their transitional rate charge (calculated in accordance with the Non-Domestic Rating (Chargeable Amounts) (England) Regulations 2016); and
 - g. Local Discretionary Relief Scheme (from 1st April 2017 for a period of up to four years).
- 2.7 This policy document purely covers the granting of awards under the Local Discretionary Relief Scheme (2.6g. above) which covers a period from 1st April 2017 for up to four years. The decision to grant or not to grant discretionary relief

is a matter purely for the Council. The Council's policy for granting other reliefs can be found on the Council's website www.exeter.gov.uk.

The Council's general approach to granting Discretionary Relief

- 2.8 In deciding which organisations should receive discretionary rate relief, the Council has considered the following factors and priorities:
- a. That any award should support business, organisations and groups that help to retain services in the Council's area and not compete directly with existing businesses in an unfair manner;
 - b. It should help and encourage business, organisations, groups and communities to become self-reliant;
 - c. Awarding discretionary relief should not distort competition or significantly change the provision of services within the Council's area;
 - d. Local (Devon based) organisations will be looked at more favourably than national organisations. Where requested, the organisation will need to supply the Council with clear evidence of **all** financial affairs including, and most importantly, the amounts of monies raised, used and invested locally. This will be essential where the organisation is national in nature;
 - e. To enable appropriate organisations to start, develop or continue their activities, which deliver outcomes to the community and that also relate to the priorities of the Council, which, without granting discretionary relief they would be unable to do;
 - f. To assist the Council in delivering services which could not be provided otherwise;
 - g. To assist the Council to meet its priorities;
 - h. To ensure that the financial impact of awarding discretionary relief is justified in terms of the local outcomes achieved by the organisation receiving it.
- 2.9 Where any reduction or remission is granted to a ratepayer under S49 Local Government Finance Act 1988 where hardship is proven to the Council, then there will be no requirement to grant Discretionary Rate Relief for that amount.
- 2.10 In certain cases, the order in which relief is granted is specified. Mandatory relief shall be granted in all cases where the criteria is met irrespective of whether discretionary relief can be granted or not.

The Council's approach to granting Government led Discretionary Relief schemes

- 2.11 Over the past few years, a number of schemes have been led by Central Government but without specific legislative changes. These are administered under S47 of the Local Government Finance Act 1988 and guidance is often provided. The Council is keen to support such initiatives especially where they are designed to help local businesses and will look to maximise both the reliefs given as well as maximising any grants receivable. However, the Council reserves the right to vary its approach where thought appropriate.

- 2.12 In the case of the Local Discretionary Relief scheme, Central Government is keen that individual Councils develop their own scheme to meet local needs. Government has allocated funds to the Council using a particular methodology, but it has been keen to point out that this should have no bearing on the actual scheme adopted by the Council.

3.0 Effect on the Council's Finances

- 3.1 The granting of discretionary relief will, in the main, potentially involve a cost to the Council. Since the change to the funding for Non-Domestic Rating in April 2013, the effect of the relief is complex.
- 3.2 Any amounts granted prior to 1st April 2013 and continuing since that date will be included in the Council's baseline within the Business Rates Retention Scheme. Any amounts granted for similar cases after 1st April 2013, the costs of the relief will be borne in accordance with the Business Rates Retention Scheme share.
- 3.3 In March 2017, Central Government announced that it would make available a discretionary fund of £300 million over four years from 2017-18 to support those businesses that face the steepest increases in their business rates bills as a result of the revaluation. Government determined that Councils would be best placed to determine how this fund should be targeted and administered to support those businesses and locations within their area that are in the greatest need.
- 3.4 Where Central Government leads an initiative such as the Discretionary Relief Scheme, grants are often made available. This is not automatic and Central Government will look to the Council to adopt any recommended criteria when granting in these areas to ensure that any grant is paid
- 3.5 Every authority within England is to be provided with a share of the fund to support their local businesses. This is to be administered through billing authorities' discretionary relief powers under section 47 of the Local Government Act 1988. The full effects of the financial allocation are shown below.
- 3.6 The allocation of monies to authorities and the methodology of the funding award is completely separate to the scheme itself, and Government believes that local authorities are best placed to judge the particular circumstances of local ratepayers and direct the funding where it is most needed to support local economies.
- 3.7 The funding is not provided equally over the four-year period but in the following approximate proportions:
- Year 1 (2017/18) 58%
- Year 2 (2018/19) 28%
- Year 3 (2019/20) 12%
- Year 4 (2020/21) 2%

- 3.8 Councils will be compensated for any relief granted under section 31 of the Local Government Act 2003. The Government has decided that any underspend cannot be 'vired' from one year to the next.
- 3.9 A key criteria of reimbursement will be that all Billing Authorities will consult with major precepting authorities when formulating their schemes.
- 3.10 The financial effects to the Council of the Discretionary Relief Scheme are shown in the following table

Amount of discretionary fund awarded (£000s) – Exeter City Council			
2017-18	2018-19	2019-20	2020-21
357	174	71	10

- 3.11 The above is to be awarded up to the maximum level set by Central Government. It is possible for the Council to grant more relief than that allocated by grant. However, once the maximum grant level has been reached, any additional amount granted would be partly financed by the Council.

4.0 Discretionary Relief – EU State Aid requirements

- 4.1 European Union competition rules generally prohibit Government subsidies to businesses. Relief from taxes, including non-domestic rates, can constitute state aid. The Council must bear this in mind when granting discretionary rate relief.
- 4.2 Rate relief for charities and non-profit making bodies is not generally considered to be state aid, because the recipients are not in market competition with other businesses. However, where other bodies receive relief and are engaged in commercial activities or if they are displacing an economic operator or if they have a commercial partner, rate relief could constitute state aid.
- 4.3 Relief will be State Aid compliant where it is provided in accordance with the De Minimis Regulations (1407/2013)¹. The De Minimis Regulations allow an undertaking to receive up to €200,000 of De Minimis aid in a three-year period (consisting of the current financial year and the two previous financial years).
- 4.4 Where the relief to any one business is greater than the De Minimis level, then permission will need to be obtained from the European Commission. In such cases the matter will be referred to the Department for Communities and Local Government (DCLG) for advice and then referred back to the Council for consideration. It will be for the ratepayer to provide confirmation as to whether the State Aid provisions apply to them.
- 4.5 In all cases, where discretionary relief is to be granted or where liability is to be reduced, when making an application, ratepayers will be required to provide the Council with sufficient information to determine whether these provisions are applicable in their case.

¹ <http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=OJ:L:2013:352:0001:0008:EN:PDF>

5.0 Administration of Discretionary Relief – General approach

- 5.1 The following section outlines the procedures followed by officers in granting, amending or cancelling discretionary relief and reduction. This is essentially laid down by legislation²

Applications and Evidence

- 5.2 All reliefs must be applied for. Application forms are produced by the Council in hard copy and/or electronic format. The Council will specify how applications are to be received and this may vary from time to time.
- 5.3 Organisations are required to provide a completed application form plus any such evidence, documents, accounts, financial statements etc. necessary to allow the Council to make a decision. Where insufficient information is provided, then no relief will be granted. In some cases, it may be necessary for officers to visit premises and we would expect organisations claiming relief to facilitate this where necessary.
- 5.4 Applications should initially be made to the Business Rates Manager and will be determined in accordance with this policy.
- 5.5 **The Council will provide this service and guidance free of charge. Ratepayers are encouraged to approach the Council direct and NOT pay for such services through third parties. Applications will be accepted from Ratepayers only.**

Granting of relief

- 5.6 In all cases, the Council will notify the ratepayer of decisions made.
- 5.7 Where an application is successful, then the following will be notified to them in writing:
- The amount of relief granted and the date from which it has been granted;
 - If relief has been granted for a specified period, the date on which it will end;
 - The new chargeable amount;
 - The details of any planned review dates and the notice that will be given in advance of a change to the level of relief granted; and
 - A requirement that the applicant should notify the Council of any change in circumstances that may affect entitlement to relief.
- 5.8 Where relief is not granted then the following information is provided, again in writing:
- An explanation of the decision within the context of the Council's statutory duty; and
 - An explanation of the appeal rights (see below).

² The Non-Domestic Rating (Discretionary Relief) Regulations 1989

- 5.9 Discretionary relief is to be granted from the beginning of the financial year in which the decision is made. Since 1997 decisions can be made up to 6 months after the end of the financial year for which the application was made. In such cases, the Council *may* backdate its decision.
- 5.10 A decision to award discretionary relief and how much relief is given is normally only applicable to the financial year for which the application is made. However, the Council reserves the right to grant relief for any other period as appropriate. In relation to the Local Discretionary Relief scheme, awards will, in the main be granted from 1st April 2017.
- 5.11 A fresh application for discretionary relief will be necessary for each financial year **or** at such time-period as the Council determines.

Variation of a decision

- 5.12 Variations in any decision will be notified to ratepayers as soon as practicable and will take effect as follows:
- Where the amount is to be increased due to a change in rate charge (excluding rateable value increases) or a change in the Council's decision which increases the award – this will apply from the date of the increase in rate charge or the date determined by the Council as appropriate;
 - Where the amount is to increase for any other reason it will take effect at the expiry of a financial year, and so that at least one year's notice is given;
 - Where the amount is to be reduced due to a reduction in the rate charge or liability including any reduction in rateable value, awarding of another relief or exemption this will apply from the date of the decrease in rate charge; and
 - Where the amount is to be reduced for any other reason, it will take effect at the expiry of a financial year, and so that at least one year's notice is given.
- 5.13 A decision may be revoked at any time, however, a one year period of notice will be given and the change will take effect at the expiry of a financial year unless relief has been awarded for a fixed period.

6.0 Scheme of Delegation

Granting, Varying, Reviewing and Revocation of Relief

- 6.1 All powers in relation to reliefs are given under the Local Government Finance Act 1988, the Local Government and Rating Act 1997, the Local Government Act 2003 and the Localism Act 2011. However section 223 of the Local Government Act 1992 allows for delegation of decisions by the Council to Cabinet, Committees, Sub-Committees or Officers.
- 6.2 The Council's scheme of delegation allows for the System Lead Finance to award, revise or revoke any discretionary relief applications. However, any application which is considered to be of a significant nature will be subject to consultation with the S151 Officer of the Council, and / or the relevant Executive member prior to final determination.
- 6.3 Applications that are refused will, on request, be reconsidered if additional supporting information is provided or the refusal is subsequently considered to be based on a misinterpretation of the application.

Reviews

- 6.4 The policy for granting relief will be reviewed annually or sooner where there is a substantial change to the legislation or funding rules. At such time, a revised policy will be brought before the relevant committee of the Council.

Appeals

- 6.5 Where the Council receives an appeal from the ratepayer regarding the granting, non-granting or the amount of any discretionary relief, the case will be reviewed by the System Lead Finance. Where a decision is revised then the ratepayer shall be informed, likewise if the original decision is upheld.
- 6.6 Where the ratepayer continues to be aggrieved by the decision, the case will be referred to the section 151 Officer for review. Where appropriate, cases of this nature may also be referred to the Executive member as appropriate.
- 6.7 Ultimately the formal appeal process for the ratepayer is Judicial Review although the Council will endeavour to explain any decision fully and openly with the ratepayer.

7.0 Consultation

- 7.1 The Council has consulted with the major preceptors in relation to this scheme and has taken their comments into account when determining the eligibility criteria. This is an essential part of the Discretionary Relief Scheme and is in line with the grant determination issued by the Department of Communities and Local Government (DCLG) No.31/3071.
- 7.2 The grant determination states that a condition of the fund is that consultation is undertaken with 'relevant authorities'. Relevant authorities for the purposes of this scheme means:
- a. Any major precepting authority; and
 - b. Any combined authority.
- 7.3 In the case of the Council only the major precepting authorities have been consulted namely:
- a. Devon County Council; and
 - b. Devon and Somerset Fire and Rescue Service.

8.0 Decisions by the Council under this scheme

- 8.1 Decisions by the Council are made directly in line with the Scheme of Delegation as outlined within section 6 of this policy. Any decision to award relief under this scheme will follow the core principles of the Council's discretionary relief policy as defined by section 2.8.
- 8.2 It should be noted that, whilst the funding from Central Government for the Discretionary Relief Scheme is limited, the decision of the Council whether to award any relief under this scheme **cannot take account** of the level of any funding.

Discretionary Relief Scheme– the Council's policy for granting discretionary relief.

- 8.3 The scheme is designed to assist ratepayers who have suffered increases in their rate liability as a result of the 2017 revaluation.
- 8.3.1 In assessing any potential entitlement to an award under this scheme, the Council will compare the following:
- i. The rate liability of the ratepayer as at 31 March 2017 after any reliefs and reductions; and
 - ii. The rate liability of the ratepayer at 1 April 2017 taking into account any transitional relief, relief or reductions.
- 8.3.2 There are two parts to the scheme in which ratepayers will be considered:
- Part A – Formula based for financial years 2017/18 & 2018/19 only
 - Part B – Case by case for four years from 2017/18 until 2020/2021

Part A – Formula based criteria

- A Relief will be awarded where the calculation in 8.3.1 above would result in an increase of more than 2%.
- B Relief will be paid up to a maximum of £5,000 (or a higher amount as approved by the S151 officer in conjunction with the Leader).
- C Relief will only be granted to premises that are liable for occupied rates. No relief will be awarded to unoccupied premises
- D Relief will only be granted where the rateable value is less than £200,000
- E Relief will only be granted to ratepayers who were in occupation at 31 March 2017 and in occupation on 1 April 2017 and for each day subsequent.
- F Ratepayers taking up occupation after 1 April 2017 will not be eligible for relief on the basis that new ratepayers would not have suffered from increases as a result of revaluation
- G Relief will be targeted to local businesses and not those businesses that are national or multinational in nature. Local businesses are, for the purpose of this scheme, those which have premises wholly or predominately in the Devon area.
- H Relief may be awarded for more than one premises as long as all other criteria are met.
- I Relief under Part A will not be awarded where:
 - mandatory relief has been granted

- the ratepayer is a public body
- the ratepayer has been granted a reduction under S44a of the Local Government Finance Act 1988;

J Additional discretionary relief will not be awarded for rateable value increases after 1 April 2017

K Relief will not be awarded for premises which are wholly or mainly used for:

- Betting and gambling premises
- Banks and Building Societies
- Cash Machines/ATMs
- Accountants, Insurance Agents and Financial Advisors
- Pawnbrokers and pay day lenders and similar
- Solicitors and law agencies
- Telecommunications network facilities
- Doctors and GP surgeries
- Supermarkets and discount stores

Part B – Case by case basis

Where any ratepayer can demonstrate that they have experienced financial difficulties as a result of revaluation, the council will consider these on a case by case basis. The Council will take into account:

- the amount of the increase in rate liability due to the revaluation;
- the amount of rates in relation to other business expenses and income of the business;
- the amount of reserves held by the business; and
- the ability of the business to pay the increase

Applications for relief under this scheme

8.4 The Council is keen to identify ratepayers who may qualify for the relief and as such will look to encourage certain ratepayers to apply. The Council will look to simplify the application process wherever possible, but it will expect any ratepayers to provide such information as is required by the Council to support their application

Amount of Relief

8.5 The amount of relief under Part A is tapered and will be calculated as follows:

2017/18

Award = Increase in rate liability calculated in 8.3c LESS 2%. For the avoidance of doubt, relief will only be awarded where the ratepayer has an increase of at least 2%. The award will reduce the increase down to 2% with the proviso that the maximum award will be £5,000.

2018/19

Award = 2017/18 award x 50% (for clarity this will be half of the relief awarded in 2017/18)

- 8.6 For 2017/18 and 2018/19 most of the funding will be given under part A but part of the funding will be retained to be used under part B (on a case by case basis). For 2019/20 & 2020/21 all of the funding will be granted under part B.

Variation and amendment of relief under the scheme

- 8.7 As with all reliefs, the amount of relief awarded under the Local Discretionary Relief Scheme will be recalculated in the event of a change of circumstances. In effect, relief is calculated on a daily basis in line with the ratepayer's liability on that day. This will include, for example, a backdated change to the rateable value of the hereditament. This change of circumstances could arise during the year in question or during a later year.
- 8.8 The Non-Domestic Rating (Discretionary Relief) Regulations 1989 (S.I. 1989/1059) requires the Council to provide ratepayers with at least one year's notice in writing before any decision to revoke or vary a decision so as to increase the amount the ratepayer has to pay takes effect. Such a revocation or variation of a decision can only take effect at the end of a financial year. But within these regulations, the Council may still make decisions which are conditional upon eligibility criteria or rules for calculating relief which allow the amount of relief to be amended within the year to reflect changing circumstances.

9.0 Reporting changes in circumstances

- 9.1 Where any award is granted to a ratepayer, the Council will require **any** changes in circumstances which may affect the relief to be reported as soon as possible and in any event not more than 21 days from the happening of the event. This will be important where the change would result in the amount of the award being reduced or cancelled e.g. where the premises becomes unoccupied or is used for a purpose other than that determined by the Council as eligible for relief.
- 9.2 Where a change of circumstances is reported, the relief will, if appropriate be revised or cancelled. Where any award is to be reduced, the Council will look to recover the amount from the date the change of circumstances occurred.
- 9.3 Where a change in circumstances is not reported and it is subsequently identified that it would have reduced the relief awarded, the Council reserve the right to remove any award completely.

10.0 Fraud

- 10.1 Where a ratepayer falsely applies for any relief, or where the ratepayer provides false information, makes false representation, or deliberately withholds information in order to gain relief, prosecutions will be considered under the Fraud Act 2006.

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REPORT TO EXECUTIVE

Date of Meeting: 12 December 2017

REPORT TO COUNCIL

Date of Meeting: 19 December 2017

Report of: Chief Finance Officer

Title: 2018/19 BUDGET STRATEGY AND MEDIUM TERM FINANCIAL PLAN

Is this a Key Decision?

No

* One that affects finances over £1m or significantly affects two or more wards. If this is a key decision then the item must be on the appropriate forward plan of key decisions.

Is this an Executive or Council Function?

Council

1. What is the report about?

1.1 To provide a strategic overview of the budgetary position for the 2018/19 financial year and beyond including an indication of the likely level of available resources and the known demand for resources and the proposals to ensure that a balanced budget is achieved.

2. Recommendations:

2.1 It is recommended that the contents of the report are noted and that the proposals to establish a balanced revenue budget and capital programme are approved.

3. Reasons for the recommendation:

3.1 The Council is required to set a balanced budget and Council Tax prior to the start of the financial year.

4. What are the resource implications including non financial resources.

4.1 The Council has a Medium Term Financial Plan that contains proposals to ensure it is balanced over the next four years. However the impact of the proposed Business Rates reset could have a significant effect on the Council's finances. The report notes the potential resources available to the Council over the medium term and the demand for those resources based on the worst case scenario of a full reset in 2020-21.

5. Section 151 Officer comments:

5.1 Subject to the outcome of the final settlement from Government (which should not vary significantly as we have an agreed four year settlement in place), the Council is in a position to propose a balanced and funded budget for 2018/19. The assumptions are set out below and include an assumed £5 increase in Council Tax.

6. What are the legal aspects?

6.1 The requirement to set a balanced budget and Council Tax requirement is set out in the Local Government Finance Act 1992.

7. Monitoring Officer's comments:

7.1 This report raises no issues for the Deputy Monitoring Officer.

8. Report details:

8.1 Local Government Provisional Finance Settlement 2018-19

8.1.1 4 year Settlement

During the settlement for 2016-17, the Government offered Local Authorities the opportunity to apply for a 4year agreed settlement subject to producing an efficiency plan. The Council took up this offer and were notified in November that the Government had agreed the Settlement.

The provisional settlement for 2018-19 will be announced in December and should reflect the figures in the Medium Term Financial Plan.

8.1.2 New Homes Bonus

The Government have removed £800 million from New Homes Bonus in order to fund Adult Social Care. The Government will reduce the payment to four years from 2018-19 and additionally, no payment will be made on housing growth below 0.4%. This is expected to lead to an award of approximately £2.730 million for 2018-19.

8.2 Business Rates

8.2.1 All authorities in Devon have applied to take part in the Business Rate pilot for the 100% retention of Business Rates. At this stage the outcome is unknown, but potentially could benefit the Council by between £300,000 and £500,000 for 2018-19 only. As the outcome is uncertain, this has not been built into the medium term financial plan at this stage.

8.3 Council Tax

8.3.1 The medium term financial plan is based upon an assumption that under the council tax referendum threshold, Shire District councils will be allowed increases of less than 2% or up to and including £5, whichever is higher. Exeter's budget strategy for next year assumes that council tax will increase by £5, which, along with the estimated surplus on the collection fund of £138,900 and increase in the taxbase will raise an extra £286,000.

8.4 Other Budgetary Assumptions

8.4.1 An overall allowance of £500,000 has been set aside for inflation. The inflationary increases allowed in the budget are:

Pay Award	2.0%
Pay – Increments	0.5%
Electricity	2.5%
Gas	2.5%
Oil	2.5%
Water	0.0%
Insurance	10.0%
Rates	2.5%
Fuel	3.0%
General Inflation	0.0%
Income (excluding Car Parks)	3.0%

8.4.2 General inflation has again been held at zero; however where there are contracts in place, inflation at around RPI has been added. The pay award for 2018/19 has yet to be agreed and may result in a higher settlement than the level at which the budget has been set.

8.4.3 In respect of interest rates, next year's budget reflects the likelihood that whilst base rate may remain low, borrowing for cashflow purposes will increase and the Council may begin to take out borrowing over a longer timeframe as a result.

8.5 Likely Revenue Resources 2017/18 To 2021/22

8.5.1 Resources remain as per the medium term financial plan as the Government has agreed the four year settlement, however at the end of the four year settlement a significant reduction is anticipated when the Government implement the business rates reset.

	2017/18 £'000	2018/19 £'000	2019/20 £'000	2020/21 £'000	2021/22 £'000
RSG	1,320	869	365	0	0
Council Tax	5,338	5,624	5,723	5,967	6,215
Business Rates	4,873	5,360	5,561	4,289	4,396
Resources	11,531	11,853	11,649	10,256	10,611
Increase/(decrease)		322	(204)	(1,393)	355
Annual % change		2.8%	(1.7%)	(12.0%)	3.6%

8.6 Additional Spending Pressures

8.6.1 Additional Spending Pressures over the period are set out in Appendix 1 and total:

	2017/18 £'000	2018/19 £'000	2019/20 £'000	2020/21 £'000	2021/22 £'000
Additional Pressures	1,458	417	(244)	75	75

8.7 Revenue Savings And Other Budgetary Reductions

8.7.1 The updated Medium Term Financial Plan (MTFP) is set out in Appendix 2. The MTFP has identified a gap in resources from 2019/20. It is proposed that the Directors be given a period of 10 months to review their Service areas and identify savings / transformation opportunities to address the shortfall in resources. This is possible as the Council is able to set a balanced budget in 2018-19 and enables proper assessment and planning to take place. This plan is in addition to the savings already set out below:-

	2017/18 £'000	2018/19 £'000	2019/20 £'000	2020/21 £'000	2021/22 £'000
Savings identified	(1,265)	(915)	(64)	(214)	(140)

8.8 General Fund Capital Programme

8.8.1 Attached at appendix 3 is the proposed general fund capital programme for the next three years.

	2018/19 £'000	2019/20 £'000	2020/21 £'000
New Bids	1,467	913	324
Pre-approved	23,106	14,315	1,004
Total	24,572	15,228	1,328

8.9 Risk Assessment

8.9.1 It has already been mentioned above in this report that our financial forecasts are based on a number of assumptions including the level of inflation, interest rates, income levels, support from the government and general prevailing economic conditions. The main risk to the Council's financial position is as follows:

- The implementation of the Business Rates reset, which could have a significant, negative impact on the Council's finances. The Council may lose up to £1.5 million in funding and this has been taken into account in the Medium Term Financial Plan.

Although the Council faces risks from the assumptions and uncertainties outlined above these have been mitigated by the following:

- Adopting a prudent approach to financial forecasting which involves obtaining information from external professional sources
- Continuous monitoring and review of the key factors together with regular reports to Members on any key issues
- Regular budget monitoring meetings with budget managers to ensure that budget pressures are identified at the earliest opportunity
- The adoption of robust financial management arrangements including option appraisal, risk assessment and financial monitoring
- Retaining a prudent level of reserves and balances

9. How does the decision contribute to the Council's Corporate Plan?

9.1 This is the strategic overview of the financial position of the Council

10. What risks are there and how can they be reduced?

10.1 The risks relate to failing to set a balanced Council budget and are mitigated by regular reporting to the Strategic Management Board and Members.

11. What is the impact of the decision on equality and diversity; health and wellbeing; safeguarding children, young people and vulnerable adults, community safety and the environment?

11.1 Not applicable

12. Are there any other options?

12.1 Not applicable

Assistant Director Finance

Local Government (Access to Information) Act 1972 (as amended)

Background papers used in compiling this report:-

None

Contact for enquires:
Democratic Services (Committees)
Room 2.3
01392 265275

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SPENDING PRESSURES 2018/19 - 2021/22

	2018/19 £000's	2019/20 £000's	2020/21 £000's	2021/22 £000's
<u>Unavoidable or Already Committed from Previous Years</u>				
Elections	43			
Living Wage	25	25	25	25
reduction in HB & CT Admin Grant	60			
Planning & Legal Staffing	26			
Customer Access restructure	(51)			
Events		(100)		
EA Permit	7			
Apprentices - increase in number	50			
	160	(75)	25	25
<u>New Revenue Bids - Recurring</u>				
Exeter Respect Festival		(20)		
Sports	40			
Channel Shift	5			
Increased Security in Customer Service Centre	7			
Local Taxation Visiting Officers	16	32		
To enable sponsorship of key events & award ceremonies	25			
Play Areas - Maintenance & Repair	200			
Purchase of RHIB Harbour Vessel - capital	1			
Waste Infrastructure - capital bid		(15)		
Mechanisation of Street Scene - capital bid		3		
Mobile Canvassing - Electoral - capital bid	13			
	307	0	0	0
<u>New Revenue Bids - Non Recurring</u>				
Leisure Complex		(150)		
12 month access to welfare reform impact dashboard	29	(29)		
Place project Co-ordinator	40	(40)		
Listed Buildings improvements	(139)			
Bike Shed Theatre Grant	(30)			
	(100)	(219)	0	0
<u>Revenue Costs Arising from New Capital Bids</u>				
Unsupported Borrowing Costs of Capital - Repayment of Loan	50	50	50	50
	50	50	50	50
TOTAL	417	(244)	75	75

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MEDIUM TERM REVENUE PLAN (2015/16 - 2020/21)

	2016/17 £'000	2017/18 £'000	2018/19 £'000	2019/20 £'000	2020/21 £'000	2021/22 £'000	
Resources							
Revenue Support Grant	2,030	1,320	869	365	0	0	
Business Rates Income (assumed by Government)	3,780	3,857	3,981	4,185	4,289	4,396	
Business Rates growth	884	866	1,229	1,226	0	0	
Business Rates pooling benefit	150	150	150	150	0	0	
New Homes Bonus	4,232	3,597	2,730	2,625	2,596	2,567	
Council Tax	5,030	5,338	5,624	5,723	5,967	6,215	
Likely resources	16,106	15,128	14,583	14,274	12,852	13,178	
Expenditure							
Service expenditure							
Committee expenditure base budget	12,527	12,549	12,852	12,854	11,596	10,257	
Inflation	150	110	500	300	300	300	
Potential increase in service costs	847	1,458	417	(244)	75	75	
Budgeted reductions	(975)	(1,265)					
	12,549	12,852	13,769	12,910	11,971	10,632	
Supplementary Budgets and AIM Carry Forward	2,480	1,337					
Net Interest	185	75	150	322	320	319	
Forecast Committee movements	(1,452)	408					
RCCO	1,414	150	150	150	150	150	
Repayment of debt	766	648	720	982	958	924	
Additional repayment of debt	747	1,000	1,000	1,000	1,000	1,000	
	16,689	16,470	15,789	15,364	14,399	13,025	
Other funding							
Contribution to/ (from) earmarked reserves	(331)	286	(290)	255	282	197	
Contribution to/ (from) balances - Other	(252)	(1,628)	(1)	(31)	(115)	96	
	(583)	(1,342)	(291)	224	167	293	
Savings identified during 2016-17			(915)	(64)	(214)	(140)	
Further savings required				(1,250)	(1,500)		(2,750)
Total Net Budget	16,106	15,128	14,583	14,274	12,852	13,178	

Total additional savings required by 2022/23 (2,750)

Opening General Fund Balance	5,517	5,265	3,637	3,636	3,605	3,490
Closing General Fund Balance	5,265	3,637	3,636	3,605	3,490	3,586
Balance as a percentage of budget	32.7%	24.0%	24.9%	25.3%	27.2%	27.2%

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GENERAL FUND - CAPITAL PROGRAMME 2018/19 AND FUTURE YEARS					
SCHEMES LISTED WITHIN COUNCIL PURPOSES	NEW BID	2018/19	2019/20	2020/21	Future Years
		£	£	£	£
PEOPLE					
HELP ME FIND SOMEWHERE TO LIVE					
Disabled Facility Grants		450,000	450,000	450,000	450,000
Sub-Total - Help Me Find Somewhere to Live		450,000	450,000	450,000	450,000
PEOPLE TOTAL		450,000	450,000	450,000	450,000
PLACE					
WELL RUN COUNCIL					
Waste Infrastructure	NEW	16,700	163,000	144,000	144,000
Car Park Resurfacing, Lining & Boundary Improvements	NEW	50,000	200,000		
Mechanisation of Street Scene	NEW	150,000			
Vehicle Replacement Programme		362,000	400,000	400,000	400,000
Sub Total - Well Run Council		578,700	763,000	544,000	544,000
KEEP ME/MY ENVIRONMENT SAFE & HEALTHY					
Bowling Green Marshes Coastal Defence Scheme		278,900			
Topsham Flood Gates (Ferry Road/The Strand)		100,000			
Exeter Flood Alleviation Scheme		200,000			
Repair Canal Bank at M5		30,000			
Parks Infrastructure	NEW	150,000	250,000	100,000	
Cemeteries & Churchyards Infrastructure Improvements	NEW	60,000	80,000	20,000	20,000

GENERAL FUND - CAPITAL PROGRAMME 2018/19 AND FUTURE YEARS					
SCHEMES LISTED WITHIN COUNCIL PURPOSES	NEW BID	2018/19	2019/20	2020/21	Future Years
		£	£	£	£
Purchase of Harbour Patrol Vessel for Exe Estuary	NEW	50,000			
Replacement of Mallison Bridge (Exeter Quay)	NEW	350,000			
Improved Car Park Security Measures at King William Street & Arena Park	NEW	45,000			
Repairs to Turf Lock Pier Head	NEW	20,000	100,000		
Repairs to Salmonpool Bridge	NEW	45,000			
Repair to Walls at Farm Hill	NEW	30,000	60,000		
Bank Repairs & Stabilisation to Watercourses	NEW	20,000	20,000	20,000	
Matford Centre Fire Alarm Replacement	NEW	100,000			
Sub Total - Keep Me/My Environment Safe & Healthy		1,478,900	510,000	140,000	20,000
<i>PROVIDE GREAT THINGS FOR ME TO SEE & DO</i>					
Outdoor Leisure Facilities		263,240			
Sports Facilities Refurbishment		56,430	56,430		
Sub Total - Provide Great Things for Me to See & Do		319,670	56,430	0	0
<i>DELIVER GOOD DEVELOPMENT</i>					
Bus Station Construction		16,392,480	10,947,226		
Leisure Complex - Build Project		3,254,690	2,307,830		
Sub Total - Deliver Good Development		19,647,170	13,255,056	0	0
PLACE TOTAL		22,024,440	14,584,486	684,000	564,000

GENERAL FUND - CAPITAL PROGRAMME 2018/19 AND FUTURE YEARS					
SCHEMES LISTED WITHIN COUNCIL PURPOSES	NEW BID	2018/19	2019/20	2020/21	Future Years
		£	£	£	£
CORPORATE SERVICES					
WELL RUN COUNCIL					
Annual Contribution to Strata		53,900	53,900	53,900	53,900
Customer Contact Platform		30,000			
Council Signage Improvement	NEW	40,000	40,000	40,000	
Electoral Registration - Mobile Canvassing	NEW	20,000			
Energy Saving Projects		1,533,870			
Building Management System (BMS)	NEW	80,000			
Civic Centre Air Conditioning Replacement	NEW	150,000			
Civic Centre Kitchens Replacement	NEW	90,000			
Capitalised Staff Costs		100,000	100,000	100,000	100,000
Sub Total - Well Run Council		2,097,770	193,900	193,900	153,900
CORPORATE SERVICES TOTAL		2,097,770	193,900	193,900	153,900
TOTAL CAPITAL PROGRAMME					
		24,572,210	15,228,386	1,327,900	1,167,900
New Bids		1,466,700	913,000	324,000	164,000
Pre-Approved		23,105,510	14,315,386	1,003,900	1,003,900
TOTAL CAPITAL PROGRAMME		24,572,210	15,228,386	1,327,900	1,167,900

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REPORT TO Executive and Council

Date of Meeting: 12 December 2017 and 19 December 2017

Report of: Corporate Manager, Democratic & Civic Support

Title: AMENDMENTS TO THE CONSTITUTION INCLUDING THE SCHEME OF DELEGATION, STANDING ORDERS AND CONTRACT REGULATIONS

Is this a Key Decision?

No

Is this an Executive or Council Function?

Council

1. What is the report about?

1.1 This report sets out proposals to amend the Scheme of Delegation to Officers to match operational arrangements, taking particular account of the recent restructure of senior management; to revise the deadline times to those Standing Orders which include requests to speak at Committees, Notices of Motions and Questions to Council; and to update the Contract Regulations.

2. Recommendations:

That the Council approve:-

- (1) the changes to the Scheme of Delegation to Officers set out in Appendix 1 to this report;
- (2) the amendments to Standing Orders No. 6, 8, 19 and 19A as set out in Appendix 2 to this report;
- (3) the amendment to Scrutiny Procedure Rules - Questions to Portfolio Holders as set out in Appendix 3 to this report; and
- (4) the update to the Contract Regulations(C4.4.1) as set out in Appendix 4 to this report.

3. Reasons for the recommendation:

3.1 To ensure that the Scheme of Delegation to Officers is up to date and matches the operational arrangements of the Council, thereby ensuring that day to day operational decisions can be taken.

To ensure that there is clarity and consistency with the times quoted in Standing Orders so as to enable full and detailed consideration in the preparation of responses to Notices of Motion and Questions, can be given.

4. What are the resource implications including non financial resources.

4.1 None

5. Section 151 Officer comments:

5.1 There are no additional financial implications contained within this report.

6. What are the legal aspects?

6.1 The Council is required to maintain an up to date version of the Constitution and to ensure that it is widely available for consultation by Members, officers and the public.

7. Monitoring Officer's comments:

7.1 This report raises no issues of concern for the Deputy Monitoring Officer.

7.2 It will be noted that Article 11 – 11.03(9) of the Council's Constitution makes clear that the Monitoring Officer must maintain an up to date version of the constitution and this report ensures that the Council's Constitution is updated as required by law. If approved, the amendments will be incorporated into the Council's constitution.

8. Report details

Scheme of Delegation

8.1 The Scheme of Delegation to Officers is the working document which sets out the powers officers have to make decisions on a day to day basis. It therefore needs to be up to date to match operational arrangements.

8.2 This latest amendment to the Scheme of Delegation has been necessary following the appointment of the Strategic Management Board (SMB), and subsequent re-alignment of services under the Council's new Directors.

8.3 SMB has reviewed their own delegated powers together with that of their officers who are involved in the operational management of services to ensure they are fit for purpose; meet all applicable legislative requirements; and provide clarity in their responsibilities.

8.4 The revised version of the Scheme of Delegation is set out in Appendix 1 to this report.

Standing Orders

8.5 Whilst updating the Scheme of Delegation, the opportunity has been taken to review a number of the Council's Standing Orders, principally those surrounding the timing of notification of Notices of Motion, Questions to Council and Public Questions.

8.6 This review was felt necessary to:-

- (a) Assist with the administrative burden that the current very tight deadlines offer officers and Members to prepare appropriate responses;
- (b) Ensure that there is a consistent time given in all circumstances (rather than the differing times currently applicable);

It is proposed to amend the time to **10.00am** in the following Standing Orders below (Appendix 2):-

- Standing Order No.6 – Notices of Motion at Council – *deadline – not later than 10.00am 5 clear workings days before the meeting*
- Standing Order No.8 – Questions at Council – *deadline – questions not later than 10.00am on the day preceding the Council meeting*
- Standing Order No.19 – Public Questions at Scrutiny Committees – *deadline not later than 10.00am 3 workings days in advance of the Committee Meeting*
- Standing Order No.19A – Public speaking at Planning Committee – *deadline – not later than 10.00am two clear working days in advance of the Committee*

8.7 It should be noted that there is no proposal to change the number of working days for the deadline for these notifications, just the deadline time on those days.

Scrutiny Procedure Rules

8.8 On 13 November 2017 the Annual Scrutiny Work Programme meeting took place with Chairs and Deputy Chairs of the Scrutiny Committee, the Leader and Portfolio Holders.

8.9 At this meeting discussion took place with regards to Portfolio Holders being able respond to Members questions at Scrutiny Committees on matters relevant to their responsibilities.

8.10 This was supported by all the Members attending the meeting.

8.11 To address this it is proposed to amend the Scrutiny Procedure Rules to add the following to point 9;

- **Questions to Portfolio Holders (Standing Orders 19 and 20) –**
Portfolio Holders may be invited by the Chair(s) of Scrutiny Committees to respond to Committee Members questions in relation to their portfolios.

Contract Regulations

8.12 A minor change has been made to the Contract Regulations (C4.4.1) to include the Litigation Solicitor.

8.13 The Executive is reminded that the Corporate Manager, Democratic and Civic Support has delegated authority to make “minor” amendments to the constitution at any time.

8.14 Once these changes have been approved, a revised up to date version of the constitution will be made available to Members.

9. How does the decision contribute to the Council’s Corporate Plan?

9.1 It ensures that the Council is working as efficiently as possible.

10. What risks are there and how can they be reduced?

10.1 There are no risks associated with the proposals.

11. What is the impact of the decision on equality and diversity; health and wellbeing; safeguarding children, young people and vulnerable adults, community safety and the environment?

11.1 None

12. Are there any other options?

12.1 No.

John Street

Corporate Manager, Democratic & Civic Support

Local Government (Access to Information) Act 1972 (as amended)

Background papers used in compiling this report:-

Contact for enquires:

Democratic Services (Committees)

Room 2.3

01392 265275

Delegation to Officers & Deputies

GENERAL

1. The Chief Executive & Growth Director, Deputy Chief Executive, Directors, Chief Finance Officer, City Solicitor & Head of HR, Corporate Managers (JNC Officers) and all officers with delegated authority must ensure that relevant Executive members are consulted on all matters of a controversial or sensitive nature. Where appropriate, these matters must be referred to the Executive for a decision/guidance.
2. If a delegated decision requires prior consultation with a specific portfolio holder and that person is not available, if the decision cannot wait, the consultation shall be with the Leader or other portfolio holder.
3. Where any decision proposed under delegated powers is likely to involve a departure from Council policy or any instruction of the Council, Committee or Executive, the officer must refer the matter to the Executive for a decision/guidance after consultation with the Chief Finance Officer where a budgetary issue is involved.
5. Where any decision proposed under delegated powers is likely to involve the approved annual estimate being exceeded, or is outside the approved capital programme or AIM process, the officer with delegated authority must refer the matter to the Executive for a decision/guidance.
4. Where reference is made in the scheme of delegation to an exercise of a function under specific legislation, this shall be deemed to include any statutory extension, amendment, modification and re enactment and any Statutory Instrument, rule, order, or bylaw made thereunder, provided that the nature of the function delegated remains the same.
5. All decisions delegated from the Executive and made under delegated authority shall be recorded by each officer with delegated authority in order that the Scrutiny Committees can properly examine any decision reached.
6. The Deputy Chief Executive, Directors, Chief Finance Officer, City Solicitor & Head of HR and Corporate Managers are responsible for the day to day management of operational issues. This Scheme of Delegation is intended to supplement the powers, duties and obligations set out in each officer's job description. Without prejudice to the above, the following powers have been specifically delegated to the following officers:-

Chief Executive & Growth Director

1. In consultation with the Leader of the Council, (or in his/her absence the relevant Portfolio Holder), and the Chair of the relevant Scrutiny Committee, to authorise any emergency action required, on any matter which shall include incurring of expenditure, including those falling within the jurisdiction of a Committee, subject to a report then being submitted to the Executive (or relevant Committee).

(Amended 19 December 2017)

2. In cases of emergency and in consultation with the Leader of the Council, the power to prohibit public processions under section 13 of the Public Order Act 1986.
3. In consultation with the Leader of the Council, to grant or withhold consent to the Police making the Authorisation pursuant to sections 30 and 31 of the Anti-Social Behaviour Act 2003.
4. To ensure compliance with the Council's Health and Safety Policy throughout the common parts of the Civic Centre.
5. Subject to approved budget and in consultation with the Leader of the Council, Executive member with relevant portfolio to agree redundancies in accordance with the Council's adopted policy and procedure. To prepare a quarterly summary of any such redundancies for information to the Executive, Corporate Services Scrutiny Committee and Audit and Governance Committee.
6. To exercise all/any delegated functions already reserved to specific officers as set out in the scheme of delegation.

Deputy Chief Executive and Directors

1. The Deputy Chief Executive and Directors may exercise any delegated function in the absence of an Officer to whom that authority has been specifically delegated, within the service areas which they manage.

Deputy Chief Executive, Directors, Chief Finance Officer, City Solicitor & Head of HR and Corporate Managers

1. To be responsible for the effective and efficient day-to-day management of the services for which he/she is responsible in accordance with the Council's agreed priorities and strategic objectives. This shall include authority to sign agreements/contracts in order to fulfil the powers, functions and duties of the service for which the officer is responsible. This power shall only be exercisable where expenditure is included in the approved annual budget, capital programme or AIMS process.
2. To ensure that all policies adopted by the Council, which shall include those relating to its workforce are implemented.
3. In agreement with the City Solicitor & Head of HR, authority to institute legal proceedings under any statute, by law or agreement (which shall include authority to appeal any decision made by a County or Magistrates Court) in the areas for which the Director/Chief Finance Officer/City Solicitor & Head of HR/Corporate Manager is responsible.
4. Where appropriate, to defend any proceedings brought against the Council (which shall include the power to defend any appeal lodged against any decision or determination made under delegated authority).

(Amended 19 December 2017)

5. To authorise the City Solicitor & Head of HR to undertake covert surveillance in accordance with the Regulation of Investigatory Powers (Prescription of Offices, Ranks and Positions) Order 2000.
6. To be responsible for ensuring that the Council's Health and Safety Policy is implemented within their own service area and for all buildings and sites for which they are responsible.
7. Where appropriate to discharge any function/s delegated to an officer within their service area in accordance with this Scheme of Delegation.
8. Authority is required for the removal of goods from a Director, Chief Finance Officer, Chief Executive & Growth Director or Deputy Chief Executive.
9. To take all necessary action for the economic, efficient and effective day to day management, administration and supervision of his/her service subject to compliance with the Council's policies on the management, employment and remuneration of staff (or in their absence the agreement of the Chief Executive & Growth Director) including but without prejudice to the generality of the foregoing:
 - a) Authorising the filling of posts within the approved budget (i.e. within the Council's establishment) and in accordance with the Council's employment policies.

Deputies - City Solicitor & Head of HR
Legal Services
Chief Legal Executive or/and Litigation Solicitor
Human Resources
Human Resources Transactional Services Manager
 - b) The taking of any necessary disciplinary action in accordance with the Council's established policy and procedures (this function may also be exercised by other Officers as set out in the relevant employment policy)

Delegated Authority for Necessary Disciplinary Action for:-
~~Environment~~– ~~Waste Management and Fleet~~– *Cleansing and Fleet Manager*
~~Public Realm~~ *Public and Green Space*– *Public & Green Spaces Manager*
10. Directors in consultation with their Portfolio Holders can vary fees and charges throughout the year to take account of market conditions, with the exception of car parking charges and statutory charges set by the Government. Commercially sensitive fees are no longer published

~~Deputy Chief Executive Director (JY)~~

1. In consultation with the Leader of the Council, to amend the Managing Organisational Change and Redundancy Policy and Procedure where necessary.

(Amended 19 December 2017)

CITY DEVELOPMENT

City Development Manager

Powers, responsibilities and decisions related to the Council's role as a local Planning Authority and its purpose 'Deliver Good Development' including those related to planning, building control and land charges but excluding:
Functions of the Planning Committee, Executive and Council.

The following functions are delegated subject to consultation or agreement with/of other postholders/group.

Function	Consultation or Agreement	With Postholders/Group
<p><u>Applications</u> Applications (including TPO confirmations) that Ward Members have requested to be brought to the Delegation Briefing.</p> <p>City Council applications not subject to any objections.</p> <p>Applications that have been subject to objections based on material planning considerations that Officers are minded to approve under delegated powers.</p>	<p>Consultation</p> <p>“</p> <p>“</p>	<p>Delegation Briefing</p> <p>“</p> <p>“</p>
<p><u>Enforcement</u> Issue of Enforcement Notice, Stop Notice (inc Temporary), Urgent Works and Repairs Notices and commencement of injunction, prosecution or other formal legal proceedings. Hazardous substance contravention notice.</p>	<p>Agreement</p>	<p>City Solicitor & Head of HR and</p> <p>Executive Member with Relevant Portfolio</p>

(Amended 19 December 2017)

<p><u>Section 106 Planning Obligations</u> Minor variations of existing Section 106 agreements, new agreements involving sums of less than £10,000 and those considered necessary with regard to planning appeals.</p> <p>Decisions on use of Section 106 funding where the terms are not prescribed by the agreement.</p>	<p>Consultation</p> <p>Agreement</p>	<p>Chair of Planning Committee</p> <p>Executive Member with Relevant Portfolio</p>
<p><u>Neighbourhood Planning</u> Publicity, consideration of representations and decisions in respect of applications for neighbourhood plan areas and forums.</p>	<p>Agreement</p>	<p>Executive Member with Relevant Portfolio</p>
<p><u>Local Infrastructure Fund</u> Decisions not considered by the Panel</p>	<p>Agreement</p>	<p>Chair of the Major Grants or of any group that replaces it.</p>
<p><u>Assets of Community Value</u> Decisions on listing assets</p>	<p>Agreement</p>	<p>Executive Member with Relevant Portfolio</p>

Deputies – the relevant officer post holder either Assistant City Development Manager (Planning) and/or Assistant City Development (Building Control)

CUSTOMER ACCESS

System Lead - Finance

1. To operate and administer the scheme of housing benefit on behalf of the Council, to include residual council tax benefit including taking all decisions or actions required under the provisions of statute and statutory instrument regulating the scheme and the collection and recovery of Housing Benefits Overpayments.

Deputy – ~~Service Improvement Lead (Benefits)~~ Benefits & Welfare Lead

2. To determine applications for assistance from the Discretionary Housing Payment Fund and Exceptional Hardship Fund'

Deputy – ~~Service Improvement Lead (Benefits)~~ Benefits & Welfare Lead

(Amended 19 December 2017)

3. To exercise the Council's powers in respect of the administration, collection and recovery of monies owed to the Council in respect of ~~national non-domestic rates~~ Business Rates and Council Tax; and the Business Improvement District levy on behalf of the Exeter BID Company.

Deputies – ~~Service Improvement Lead (Payments) and Service Improvement Lead (Local Taxation) Payment & Collection Lead and Local Taxation Lead~~

4. To authorise appropriate officers to appear in the Magistrates Court on behalf of the Council in respect of the recovery of national non domestic rates and council tax; and the Business Improvement District levy on behalf of the Exeter BID Company.

Deputies – ~~Service Improvement Lead (Payments) and Service Improvement Lead (Local Taxation) Payment & Collection Lead and Local Taxation Lead~~

5. To operate and administer the local scheme for Council Tax support for working age claimants on behalf of the Council, including taking all decisions or actions required under the Council's local policy and to make administrative amendments to the Council's Section 13A policy under LGFA 1992.

Deputy – ~~Service Improvements Lead (Benefits) Benefits & Welfare Lead~~

6. To operate and administer the scheme for Council Tax support for pension age claimants on behalf of the Council, including taking all decisions or actions required under the provisions of statute and statutory instrument regulating the scheme.

Deputy – ~~Service Improvements Lead (Benefits) Benefits & Welfare Lead~~

7. To award, revise or revoke any discretionary relief applications for Business Rates.

Deputy – Local Taxation Lead

78. To authorise the service in relation to rent arrears of Notice of Intention to seek Possession (secure tenancies) and Notice to Quit (non-secure tenancies); and Notice of Proceedings for Possession of an Introductory Tenancy (introductory tenancies).

Deputy – ~~Service Improvement Lead (Payments) Payment & Collection Lead~~

89. Initiation and conduct of legal proceedings for possession in respect of cases where rent arrears are outstanding. This shall include the power to authorise officers to appear in the County Court to represent Exeter City Council in respect of rent arrears.

Deputy – ~~Service Improvement Lead (Payments) Payment & Collection Lead~~

910. To accept payment of arrears of rent by instalments.

(Amended 19 December 2017)

Deputy – ~~Service Improvement Lead (Payments) Payment & Collection Lead~~

4011. Authority to apply for a warrant for Possession of Property in relation to rent arrears.

Deputy – ~~Service Improvement Lead (Payments) Payment & Collection Lead~~

4412. Power to apply to County Court in respect of Housing Benefit Overpayment Recovery.

Deputy – ~~Service Improvement Lead (Payments) Payment & Collection Lead~~

4213. To appoint enforcement agents for the recovery of any outstanding debts.

Deputy – ~~Service Improvement Lead (Payments) Payment & Collection Lead~~

4314. In consultation with City Solicitor & Head of HR , authority to institute legal proceedings where fraudulent activity is suspected in relation to Council Tax Support, Council Tax and Business Rates.

Deputies – ~~Service Improvement Lead (Benefits) and Service Improvement Lead (Local Taxation) Benefits & Welfare Lead and Local Taxation Lead~~

4415. Power to impose penalties under LGFA 1992 for the failure to supply requested information in relation to Council Tax liability, discount and exemption and Council Tax Support

Deputies – ~~Service Improvement Lead (Local Taxation) and Service Improvement Lead (Benefits) Benefits & Welfare Lead and Local Taxation Lead~~

4516. In consultation with the Executive Member with relevant portfolio and Chief Executive & Growth Director, authority to apply for Charging Orders, Bankruptcy or Committal to Prison.

Deputy - ~~Service Improvement Lead (Payments) Payment & Collection Lead~~

System Lead - Housing

1. In accordance with the Council's approved conditions, policies and allocation scheme to:-
 - (a) Accept/refuse applications for housing. This authority shall include the power, in consultation with Executive Member with relevant portfolio, to review any decision affecting an applicant's right or eligibility for housing assistance and entry onto the Council's Statutory Housing Register.

- (b) Where appropriate and in consultation with Executive Member with relevant portfolio to accept applications outside those conditions and policies.

Deputy – Assessment and Accommodation Lead

- 2. (a) To undertake all the statutory duties imposed by the Housing Act 1996 utilising temporary accommodation, bed and breakfast accommodation, private sector accommodation and making nominations to registered providers as required.
- (b) In consultation with the City Solicitor & Head of HR and the Chief Finance Officer, to enter into or determine leasing agreements with private landlords to provide accommodation to homeless households as required to meet the Council's statutory requirements.

Deputy – Assessment and Accommodation Lead

- 3. To arrange for and re-charge as necessary for the removal and storage of personal possessions.

Deputy – Assessment and Accommodation Lead

- 4. In consultation with the City Solicitor & Head of HR, to take legal action to obtain possession of any dwelling occupied by a person accommodated in accordance with the Housing Act 1996 who has refused a reasonable offer of suitable permanent accommodation or who has been declared intentionally homeless.

Deputy – Assessment and Accommodation Lead

- 5. In consultation with the Executive Member with relevant portfolio to make any necessary amendment to the housing scheme.

Deputy – Assessment and Accommodation Lead

- 6. In consultation with Human Resources, the allocation of accommodation in respect of service tenancies which shall include the power to refuse allocation of accommodation to personnel whose employment has been terminated.

Deputy – Assessment and Accommodation Lead

- 7. To arrange rent deposit guarantees in accordance with the Council's policy in consultation with the Chief Finance Officer.

Deputy – Assessment and Accommodation Lead

- 8. To deal with and determine homelessness reviews in accordance with the Housing Act 1996.

Deputy – Assessment and Accommodation Lead

(Amended 19 December 2017)

ENVIRONMENT

Environmental Health and Licensing Manager

1. To carry out functions, duties and responsibilities of the Council in respect of the following matters:
 - drainage
 - pest control
 - air and noise pollution
 - properties that are overcrowded, unfit for human habitation or in disrepair
 - abandoned vehicles/waste/refuse
 - control of dogs
 - skin piercing(this power shall include authority to take remedial action where necessary).

Deputies - Principal Environmental Health Officer (Business Regulation and Strategy) Service Lead – Private Sector Housing and/or Principal Environmental Health Officer (Nuisance and ASB)

2. The licensing of:
 - Dog tracks and Guard dogs
 - Dog breeding establishments
 - Dangerous wild animals
 - Pet shops
 - Riding establishments
 - Animal boarding establishments
 - Performing animals
 - Scrap metal dealers
 - Hackney carriages and private hire vehicles
 - Street trading
 - Licensable activities (as permitted under the Licensing Act 2003 and the Gambling Act 2005)

Deputy – Principal Licensing Officer

3. To appoint Inspectors and authorise officers to carry out any function, power or duty within his remit.

Deputy – N/A

4. Without prejudice to the generality of the above, where appropriate in consultation with the City Solicitor and Head of HR, the Environmental Health and Licensing Manager is authorised to deal with the provisions of and enforce compliance with the following Acts and associated legislation. This shall include the initiation, defence and settlement of legal proceedings, issuing of formal cautions and fixed penalty fines, service of Notices and Orders, the issue, refusal and revocation of licences, certificates and registrations, carrying out of works in default and payment and recovery of costs:

- 4.1 Caravan Sites and Control of Development Act 1960

(Amended 19 December 2017)

- 4.2 Caravan Sites Act 1968
- 4.3 Clean Air Act 1993
- 4.4 Environmental Protection Act 1990 including authorisation and service of notices pursuant to Section 46.
- 4.5 Food Safety Act 1990 which shall include service of “minded to notices” introduced by the Deregulation and Contracting Out Act 1994 and any Orders or Regulations or other instruments: (i) made thereunder, or (ii) relating thereto, or (iii) having effect by virtue of the European Communities Act 1972 and relating to food safety.
- 4.6 Prevention of Damage by Pests Act 1949
- 4.7 Public Health Acts 1936 and 1961 and the Public Health (Control of Disease) Act 1984.
- 4.8 Local Government (Miscellaneous Provisions) Act 1976 requisition for Information in accordance under Section 16
- 4.9 Local Government (Miscellaneous Provisions) Act 1976, Transport Acts 1980 and 1985 and the Town Police Clauses Act 1847 – to grant hackney carriage and Private Hire operator, vehicle and driver licences in accordance with the Council’s agreed policy.
- 4.10 Road Traffic Act 1991 (Access to Criminal Records)
- 4.11 Zoo Licensing Act 1981
- 4.12 Litter Act 1983
- 4.13 Control of Pollution Act 1974
- 4.14 Animal Boarding Establishments Act 1963
- 4.15 National Assistance Acts 1945 and 1951
- 4.16 Breeding of Dogs Act 1973 and 1991
- 4.17 Riding Establishments Act 1964 and 1970
- 4.18 Game Act 1831
- 4.19 Game Licences Act 1860
- 4.20 Dangerous Dogs Act 1991
- 4.21 Guard Dogs Act 1975
- 4.22 Dogs Fouling of Land Act 1996, which shall include enforcing the provisions of the Act including the power to authorise officers of the

(Amended 19 December 2017)

- Council to issue fixed penalty notices in respect of failure to remove faeces from designated land.
- 4.23 The Environmental Protection (Stray Dogs) Regulations 1992 which shall include, in cases of exceptional hardship, the power to waive payment of the recoverable fees and expenses levied in respect of dogs seized and detained as strays.
- 4.24 Water Industry Act 1991 and relevant regulations in relation to:
- (a) functions with regard to the wholesomeness and sufficiency of public and private drinking water supplies
 - (b) entry into premises for the purpose of analysis of samples of water within Exeter City Council's district
 - (c) receiving and determining applications for authorisation for relaxation of Part III of the private water supplies regulations and the revocation or modification of such authorisations
- 4.25 Health & Safety at Work etc. Act 1974 and any supporting regulations.
- 4.26 Building Act 1984 – all matters, powers, duties and functions of the Council under the provisions of the following sections:
- Sections 59, 60, 64-66(drainage)
 - Sections 70 (food storage), 72 (means of escape from fire), 76 (defective premises), 84 (drainage of yards)
- 4.27 Exeter City Council Act 1987 - the powers, duties and functions of the Council under Part 4 and Sections 21, 22, 23, 24 and 29
- 4.28 Protection from Eviction Act 1977, the Housing Defects Act 1984, the Housing Act 1985, the Housing Act 1988, the Local Government Housing Act 1989 and the Housing Act 2004 – to investigate and take appropriate action under these enactments.
- 4.29 Housing Acts 1985, 1988, 1989, 1996, the Home Energy Conservation Act 1996 and the Housing Grants, Construction and Regeneration Act 1996 – to deal with all matters, powers, functions and duties set out therein.
- 4.30 Noise Act 1996
- 4.31 Noise and Statutory Nuisance Act 1993
- 4.32 Local Government (Miscellaneous Provisions) Act 1976
- 4.33 Local Government (Miscellaneous Provisions) Act 1982 (in accordance with the Council's agreed policies)
- 4.34 Licensing Act 2003 (to the extent permitted by Section 10). In particular to determine:
- applications for Personal Licences, where no police objection is made;

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- applications for Premises Licences/ Club Premises Certificates, where no relevant representations have been made;
- applications for provisional statements, where no relevant representations have been made;
- applications to vary Premises Licences/ Club Premises Certificates, where no relevant representations have been made;
- applications to vary designated Premises Supervisor, where no police objection has been made;
- requests to be removed as designated Premises Supervisor;
- applications for transfer of Premises Licences where no police objection has been made;
- applications for interim authorities where no police objection has been made;
- decisions on whether a complaint is irrelevant, frivolous, vexatious etc.
- to determine applications under the Licensing Act 2003 Minor Variations to Premises Licence Legislative Reform (Minor Variations to Premises Licences and Club Premises Certificates) Order 2009.
- the giving of a counter notice for Late Temporary Event Notices
- whether to make representations as a Responsible Authority
- the issue of a notice of suspension of licence for non payment of the Annual Fee

4.35 Local Government (Miscellaneous Provisions) Act 1982 (Schedule 3) - to determine applications for the renewal of a sex shop licence

4.36 Refuse (Disposal) Amenity Act 1978

4.37 Pollution Prevention and Control Act 1999

4.38 Clean Neighbourhoods and Environment Act 2005

4.39 Health Act 2006 and the Smoke-Free Enforcement Policy - To authorise appropriate Officers under the provisions of Chapter 1 therein

4.40 Vehicle Crimes Act 2001 and the Motor Salvage Operators Regulations 2002

*Deputies –Principal Environmental Health Officer (Business Regulation and Strategy) and/or Principal Environmental Health Officer (Nuisance and ASB) and/or – Principal Licensing Officer and/or **Service Lead - Private Sector Housing***

5 Enforcement of local bylaws.

Deputies - Principal Environmental Health Officer (Business Regulation and Strategy) and/or Principal Environmental Health Officer (Nuisance and ASB) and/or Principal Licensing Officer

6 Granting financial assistance in accordance with the Council's policy for the repair/improvement of properties. This shall include the power in consultation with the Executive Member with relevant portfolio and Chief Finance Officer to

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waive repayment and depart from the Council's agreed policy where such a departure is minor in nature.

Deputies - Principal Environmental Health Officer (Business Regulation and Strategy) and/or Principal Environmental Health Officer (Nuisance and ASB) and/or Service Lead – Private Sector Housing

7. To deal with the provisions of and enforce compliance with Sections 40 - 42 of the Anti-Social Behaviour Act 2003.

Deputies - Principal Environmental Health Officer (Business Regulation and Strategy) and/or Principal Environmental Health Officer (Nuisance and ASB)

8. To deal with and enforce compliance with the provisions of Sections 43 to 45 and 47 of the Anti-Social Behaviour Act 2003, with the exception of sub-section 44(f), which deals with offences contrary to the Town and Country Planning Act 1990 which will be dealt with by the City Development Manager.

Deputies - Principal Environmental Health Officer (Business Regulation and Strategy) and/or Principal Environmental Health Officer (Nuisance and ASB)

9. To deal with the provisions of and enforce compliance with sections 55 and 56 of the Anti-Social Behaviour Act 2003, where appropriate in consultation with the City Solicitor & Head of HR.

Deputies - Principal Environmental Health Officer (Business Regulation and Strategy) and/or Principal Environmental Health Officer (Nuisance and ASB)

10. To deal with all matters, powers, duties and functions, which shall include the issuing of Licences and permits in respect of lotteries, house to house and street collections in accordance with the House to House Collections Act 1939, the Police Factories (Miscellaneous Provisions) Act 1916 (Street Collections) and Schedule 17 of the Gambling Act 2005.

Deputy – Principal Licensing Officer

11. Be authorised under Section 53 of the Anti Social Behaviour Crime and Policing Act 2014 (the Act) for issuing Community Protection Notices (CPN) and related Fixed Penalty Notices of a £100 penalty fee in respect of breaches of a CPN.

Deputies - Principal Environmental Health Officer (Business Regulation and Strategy) and/or Principal Environmental Health Officer (Nuisance and ASB) and/or Principal Licensing Officer

12. To implement Public Spaces Protection Orders (PSPO) under Part 4 Chapter 2 of the Anti Social Behaviour Crime and Policing Act 2014 following agreement in each case at the multi-agency Anti Social Behaviour Action Team and related Fixed Penalty Notices of a £100 penalty fee in respect of breaches of a PSPO.

Deputy - None

13. To issue a Closure Notice of no longer than 24 hours following appropriate consultation under Part 2, Chapter 3 of the Anti Social Behaviour Crime and Policing Act 2014.

Deputy – Refer to Chief Executive & Growth Director or Director

Cleansing and Fleet Manager

1. Without prejudice to the generality of the above, where appropriate in consultation with the City Solicitor & Head of HR, the Cleansing and Fleet Manager is authorised to deal with the provisions of and enforce compliance with the following Acts and associated legislation. This shall include the initiation, defence and settlement of legal proceedings, issuing of formal cautions and fixed penalty fines, service of Notices, carrying out of works in default and payment and recovery of costs:
 - 1.1 ~~Environmental Protection Act 1990 including authorisation and service of notices pursuant to Section 46.~~ Environmental Protection Act 1990 including authorisation of works and recharges pursuant to Section 45 and authorisation and service of notices pursuant to Section 46.
 - 1.2 Litter Act 1983
 - 1.3 Refuse (Disposal) Amenity Act 1978
 - 1.4 Clean Neighbourhoods and Environment Act 2005

Deputy – None

Private Sector Housing Lead

- ~~1. To carry out functions, duties and responsibilities of the Council in respect of the following matters:
 - ~~- drainage~~
 - ~~- properties that are overcrowded, unfit for human habitation or in disrepair~~
 - ~~(this power shall include authority to take remedial action where necessary).~~~~

~~*Deputy – Environmental Health and Licensing Manager*~~

- ~~2. To appoint Inspectors and authorise officers to carry out any function, power or duty within his remit.~~

~~*Deputy – N/A*~~

- ~~3. Without prejudice to the generality of the above, where appropriate in consultation with the City Solicitor and Head of HR, the Private Sector Housing Lead is authorised to deal with the provisions of and enforce compliance with the following Acts and associated legislation. This shall include the initiation, defence and settlement of legal proceedings, issuing of formal cautions and fixed penalty fines, service of Notices and Orders, the issue, refusal and revocation of licences, certificates and registrations, carrying out of works in default and payment and recovery of costs:~~

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~~3.1 Caravan Sites and Control of Development Act 1960~~

~~3.2 Caravan Sites Act 1968~~

~~3.3 Environmental Protection Act 1990 including authorisation and service of notices pursuant to Section 46.~~

~~3.4 Prevention of Damage by Pests Act 1949~~

~~3.5 Public Health Acts 1936 and 1961 and the Public Health (Control of Disease) Act 1984.~~

~~3.6 Local Government (Miscellaneous Provisions) Act 1976 requisition for Information in accordance under Section 16~~

~~3.7 Health & Safety at Work etc. Act 1974 and any supporting regulations.~~

~~3.8 Building Act 1984 – all matters, powers, duties and functions of the Council under the provisions of the following sections:
– Sections 59, 60, 64-66(drainage)
– Sections 70 (food storage), 72 (means of escape from fire), 76 (defective premises), 84 (drainage of yards)~~

~~3.9 Exeter City Council Act 1987 – the powers, duties and functions of the Council under Part 4 and Sections 21, 22, 23, 24 and 29~~

~~3.10 Protection from Eviction Act 1977, the Housing Defects Act 1984, the Housing Act 1985, the Housing Act 1988, the Local Government Housing Act 1989 and the Housing Act 2004 – to investigate and take appropriate action under these enactments.~~

~~3.11 Housing Acts 1985, 1988, 1989, 1996, the Home Energy Conservation Act 1996 and the Housing Grants, Construction and Regeneration Act 1996 – to deal with all matters, powers, functions and duties set out therein.~~

~~3.12 Local Government (Miscellaneous Provisions Act 1976~~

~~3.13 Local Government (Miscellaneous Provisions) Act 1982 (in accordance with the Council's agreed policies)~~

~~–Deputy – Environmental Health and Licensing Manager~~

~~4. Granting financial assistance in accordance with the Council's policy for the repair/improvement of properties. This shall include the power in consultation with the Executive Member with relevant portfolio and Chief Finance Officer to waive repayment and depart from the Council's agreed policy where such a departure is minor in nature.~~

~~–Deputy – Environmental Health and Licensing Manager~~

(Amended 19 December 2017)

Chief Finance Officer

1. To determine interest rates and their applicable dates in respect of new and existing mortgages.

Deputy – Technical Accounting Manager (Deputy Section 151 Officer)

2. In consultation with the City Solicitor & Head of HR to initiate court proceedings for the recovery of arrears in respect of mortgages.

Deputy – Technical Accounting Manager (Deputy Section 151 Officer)

3. To be responsible:

- a. For all day to day decisions on short term borrowing, investment and financing in accordance with the CIPFA Code of Practice “Treasury Management in the Public Services”.
- b. In consultation with the Executive Member with relevant portfolio for decisions on long term borrowing in accordance with the Prudential Code for Capital Finance in Local Authorities and the CIPFA Code of Practice “Treasury Management in the Public Services”.

Deputy – Technical Accounting Manager (Deputy Section 151 Officer)

4. To deal with all insurance claims against the Council. This power shall include where necessary authority to settle all such claims.

Deputy – Technical Accounting Manager (Deputy Section 151 Officer)

5. To approve all housing advances for purchase or improvement.

Deputy – Technical Accounting Manager (Deputy Section 151 Officer)

6. To be responsible for undertaking the role of Money Laundering Reporting Officer in accordance with the Money Laundering Regulations 2003.

Deputy – Technical Accounting Manager (Deputy Section 151 Officer)

7. The execution and administration of treasury management decisions, in accordance with the Council’s policy statement and treasury management practises and, if a CIPFA member, with CIPFA’s Standard of Professional Practice on Treasury Management.

Deputy – Technical Accounting Manager (Deputy Section 151 Officer)

8. In consultation with the Leader of the Council and the City Solicitor & Head of HR authorise the application of the Councils Local Government Pension Scheme Employer Discretions.

Deputy – Technical Accounting Manager (Deputy Section 151 Officer)

9. To approve the creation or modification of approved contractor standing lists.

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Deputy – Technical Accounting Manager (Deputy Section 151 Officer)

10. In consultation with the Executive Member with relevant Portfolio Authority to approve financial assistance in the form of relief from Business Rates in respect of Charities/Good Causes and cases of hardship.

Deputy – Technical Accounting Manager (Deputy Section 151 Officer)

11. In consultation with the Executive Member with relevant portfolio, to deal with applications for discretionary rate relief to sports clubs not in receipt of mandatory relief, as registered charities.

Deputy – Technical Accounting Manager (Deputy Section 151 Officer)

12. In consultation with the Executive Member with relevant portfolio, to determine in accordance with the Council's agreed policy, applications for discretionary rate relief under Sections 47 and 49 of the Local Government and Finance Act 1988.

Deputy – Technical Accounting Manager (Deputy Section 151 Officer)

13. In accordance with the Housing Act 1980 and the Council's agreed policy to accept/refuse applications for mortgages, including further advances to administer and monitor payments of mortgage instalments and where necessary issue possession proceedings for mortgage arrears in consultation with the City Solicitor & Head of HR.

Deputy – Technical Accounting Manager (Deputy Section 151 Officer)

HOUSING

Service Lead - Housing Assets, Service Lead - Housing Customers, Housing Development Manager, **Service Lead Performance, Strategy & Resources**

1. Adaptation of Council Properties for disabled persons.
2. In agreement with the Leader of the Council and the Executive Member with Relevant Portfolio (or their substitutes nominated by the Leader) and the City Surveyor following receipt of professional property management advice, the identification for disposal at market value or less than best value of small areas of land no longer required for the housing unit's purposes, in accordance with the agreed scheme.
3.
 - (a) To administer the scheme for Housing Capital Grant.
 - (b) In consultation with the Chief Finance Officer, to authorise payment of the Housing Capital Grant in accordance with 3 (a) above.
 - (c) To negotiate and enter into Nomination Agreements in accordance with 3 (a) and (b) above.

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- (d) Where this does not prejudice the Authority's capital receipt, to seek maximum nomination rights on disposal of land to registered social landlords.
4. In consultation with the City Solicitor & Head of HR to enter into releases of covenants affecting former Council rented or shared ownership dwellings.
 5. To deal with and approve applications for grant in accordance with Section 24 and 25 of the Local Government Act 1988.
 6. In consultation with the City Solicitor & Head of HR and Housing Solicitor to:-
 - (i) institute injunction proceedings in respect of anti-social behaviour pursuant to current relevant legislation;
 - (ii) institute proceedings in the County Court to obtain Demotion Orders pursuant to current relevant legislation;
 - (iii) institute proceedings in the County Court to obtain possession orders pursuant to current relevant legislation; and
 - (iv) In consultation with the Executive Member with relevant Portfolio and the Chief Finance Officer, to make minor amendments to the Contract Regulations to reflect changes in legislation.
 7. In consultation with the Executive Member with relevant Portfolio and Finance and Estates officers, to acquire **and dispose of** suitable premises under the Housing Asset Management Plan framework using receipts generated by the disposal of assets.
 8. In consultation with the Executive Member with Relevant Portfolio, to undertake an Enforced Sale, an Empty Dwelling Management Order or a Compulsory Purchase Order to bring an empty property back to use.
 9. To arrange for and re-charge as necessary for the removal and storage of personal possessions.
 10. The Service of Notice of Intention to Seek Possession.
 11. Initiation and conduct of legal proceedings for possession in respect of cases where rent arrears are outstanding. This shall include the power to authorise officers to appear in the County Court to represent Exeter City Council in respect of rent arrears.

Service Lead Housing Assets

Deputies – Planned Works Lead, Reactive Repairs Lead, Compliance Lead

Service Lead Housing Customers

Deputies – Customer Relations Lead, Lettings & Leasehold Lead

Housing Development Manager

Deputy – Senior Housing Development Officer

(Amended 19 December 2017)

Service Lead - Housing Customers

1. Grant, administer and, where necessary, terminate any flexible tenancy.

Deputies – Customer Relations Lead and/or Lettings & Leasehold Lead

2. To terminate any tenancy or licence where necessary, by relying on the absolute grounds for possession introduced by the Anti Social Behaviour Crime and Policing Act 2014 (the ASBCP Act 2014).

Deputies – Customer Relations Lead and/or Lettings & Leasehold Lead

3. In consultation with the Executive Member with relevant Portfolio in conjunction with the Chief Finance Officer and the City Solicitor & Head of HR, approve a repayment plan with a landlord where a property is handed back early from a private rental agreement with an individual landlord where outstanding funds are owed to the Council. This will be subject to a legal charge being created and registered in the Council's favour against the property.

Deputies – Customer Relations Lead and/or Lettings & Leasehold Lead

4. Authority to opt to surrender Right to Buy (RTB) to Department of Communities & Local Government or pass receipts over to a housing association, subject to prior consultation with the Chief Finance Officer and the Executive Member with relevant Portfolio.

Deputies – Customer Relations Lead and/or Lettings & Leasehold Lead

Housing Development Manager

1. Approve the use of commuted sums, as required, to acquire new affordable housing in consultation with the Executive Member with Relevant Portfolio and Finance and Estates Officers.

Deputy – Senior Housing Development Officer

2. In consultation with the Executive Member with relevant Portfolio approve the use of consultants to assist the Housing Development Team in undertaking viability appraisals and the appraisal of new forms of affordable housing delivery within approved budgets.

Deputy – Senior Housing Development Officer

~~PUBLIC REALM PLACE~~

Service Manager ~~Business and Commercial Operations~~ Public and Green Spaces

- ~~1. All matters relating to the day-to-day management of the River Exe and Canal.~~

~~— Deputy – Waterways Manager~~

- ~~2. The day to day management, lettings and allocation of harbour mooring and to issue consents to use landings, slipways, pontoons and berthing subject to such charges and policies approved by the Council.~~

~~— Deputy – Waterways Manager~~

- ~~3. In consultation with the City Solicitor & Head of HR, the regulation and enforcement of Harbour by-laws.~~

~~— Deputy – Waterways Manager~~

- 1 To agree requests for the adoption of land and facilities provided by a developer for the Parks and Open Spaces service pursuant to a planning obligation.

Deputy - Commercial Operations Manager

- 2 In consultation with other Officers as appropriate, the letting of parks and open spaces for special events where this does not have a negative financial impact on the Council.

Deputy - ~~Commercial Operations Manager~~ Customer Services Manager

- ~~6. To deal with burials in accordance with the National Assistance Acts 1948-1951 and the Public Health (Control of Diseases) Act 1984.~~

~~— Deputy - Commercial Operations Manager~~

- ~~7. Where appropriate, to serve Notices to Quit terminating allotment tenancies.~~

~~— Deputy - Commercial Operations Manager~~

- ~~8. In consultation with the City Solicitor & Head of HR and the Portfolio Holder-Environment, authority to make amendments to the Allotment Gardens Rules and Conditions.~~

~~— Deputy – Commercial Operations Manager~~

- ~~9. Authority to enter into management agreements with duly elected Allotment Associations, as prescribed (Council 15 October 2014) in consultation with Executive Member with relevant Portfolio.~~

~~— Deputy – Commercial Operations Manager~~

- ~~10. To reassign any residue from any future capital funding for the waterway in order to effect immediate and or significant repairs elsewhere in the Canal or Quay, in consultation with the Executive Member with relevant Portfolio and the Chief Finance Officer.~~

~~— Deputy – Commercial Operations Manager~~

(Amended 19 December 2017)

~~11. To exercise the powers and functions of the Council under Section 26 of Exeter City Act 1987.~~

~~Deputy - Commercial Operations Manager~~

3. In consultation with the Chief Finance Officer, the power to vary the fees and charges in respect of the Council's recreational and sports facilities (this shall exclude any facilities which may have been outsourced by the Council).

Deputy - Commercial Operations Manager

4. Exercising the obligations place on the Council under the 1980 Environment Act regarding the cleaning of public places.

Deputy – Public and Greenspaces Operations Manager

13. In consultation with the Executive Member with relevant Portfolio to decide on bids for the use of the Bowling Green Marshes Fund, in accordance with the agreed criteria and having sought the views of ward members.

Deputy - Commercial Operations Manager

~~14. Responsibility to interpret the Allotment Garden Rules and Conditions (agreed Council 15 October 2014) in the case of a dispute.~~

~~Deputy – Customer Service Team Manager~~

~~15. In compliance with the Port Marine Safety Code be designated as the “Duty Holder” for the Port of Exeter.~~

~~Deputy – None~~

Service Manager Community Safety and Enforcement

1. To exercise the Council's powers under Section 6-8, 25 and 30 of the Exeter City Act 1987.

Deputy – Parking and Enforcement Team Manager

2. In consultation with the City Solicitor & Head of HR, to agree/refuse requests for road closures.

Deputy – Parking and Enforcement Team Manager

3. To discharge the powers conferred on the City Council by the following sections of the Exeter City Council Act:-

Section 19 – Restriction of vehicles in certain residential streets; and
Section 30 – Prohibiting of parking of vehicles on footways, verges and central reservations.

Deputy – Parking and Enforcement Team Manager

(Amended 19 December 2017)

4. In consultation with the Leader of the Council and Executive Member with relevant Portfolio to consider objections to Exeter City Council Parking Places Orders and amendments thereto.

Deputy – Parking and Enforcement Team Manager

5. Be authorised under Section 53 of the Anti Social Behaviour Crime and Policing Act 2014 (the Act) for issuing Community Protection Notices (CPN) and related Fixed Penalty Notices of a £100 penalty fee in respect of breaches of a CPN.

Deputy – Parking and Enforcement Team Manager

6. To implement Public Spaces Protection Orders (PSPO) under Part 4 Chapter 2 of the Anti Social Behaviour Crime and Policing Act 2014 following agreement in each case at the multi-agency Anti Social Behaviour Action Team and related Fixed Penalty Notices of a £100 penalty fee in respect of breaches of a PSPO.

Deputy – Parking and Enforcement Team Manager

7. All matters relating to the day-to-day management of the River Exe and Canal.

Deputy – Waterways Manager

8. The day-to-day management, lettings and allocation of harbour mooring and to issue consents to use landings, slipways, pontoons and berthing subject to such charges and policies approved by the Council.

Deputy – Waterways Manager

9. In consultation with the City Solicitor & Head of HR, the regulation and enforcement of Harbour by-laws.

Deputy – Waterways Manager

10. To deal with burials in accordance with the National Assistance Acts 1948-1951 and the Public Health (Control of Diseases) Act 1984.

Deputy – Customer Services Team Manager

11. Where appropriate, to serve Notices to Quit terminating allotment tenancies.

Deputy – Customer Services Team Manager

12. In consultation with the City Solicitor & Head of HR and the Portfolio Holder Environment, authority to make amendments to the Allotment Gardens Rules and Conditions.

Deputy – Customer Services Team Manager

13. Authority to enter into management agreements with duly elected Allotment Associations, as prescribed (Council 15 October 2014) in consultation with Executive Member with relevant Portfolio.

Deputy – Customer Services Team Manager

14. To reassign any residue from any future capital funding for the waterway in order to effect immediate and or significant repairs elsewhere in the Canal or Quay, in consultation with the Executive Member with relevant Portfolio and the Chief Finance Officer.

Deputy - Commercial Operations Manager

16. Responsibility to interpret the Allotment Garden Rules and Conditions (agreed Council 15 October 2014) in the case of a dispute.

Deputy – Customer Service Team Manager

17. In compliance with the Port Marine Safety Code be designated as the “Duty Holder” for the Port of Exeter.

Deputy – None

17. To exercise the powers and functions of the Council under Section 26 of Exeter City Act 1987.

Deputy - Commercial Operations Manager

Customer Services Co-Ordinators

1. Authority to cancel Penalty Charge Notices

City Solicitor & Head of HR and Monitoring Officer

1. To act as the Council’s Chief Legal Advisor responsible for the initiation, defence, settlement and conduct of any legal proceedings which may affect the interests of the Council or the inhabitants of the City.

Deputies – Chief Legal Executive and/or Litigation Solicitor

- 2 (a) The service of any notice required to terminate any contract, agreement or lease entered into by the Council including notices to vary any terms of such contract, agreement or lease.
- (b) Where power to institute proceedings in the Magistrates Court is given by statute to the Council, the City Solicitor & Head of HR/Monitoring Officer shall institute and progress those proceedings (including progressing them in the higher courts if appropriate).

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- (c) In consultation with a Director concerned, authority to issue formal cautions where he/she considers this appropriate.

Deputies – Chief Legal Executive and/or Litigation Solicitor

3. To authorise officers under Section 7 of the Exeter City Act 1987 in respect of the maintenance of the city walls.

Deputies – Chief Legal Executive and/or Litigation Solicitor

- 4 In consultation with the Chief Finance Officer and City Surveyor following receipt of professional property management advice, authority to agree the release of any covenants imposed on former council houses where such release is in the interests of the Council.

Deputies – Chief Legal Executive and/or Litigation Solicitor

5. To apply to the Justices to authorise entry into land or premises by persons named by the City Development Manager under the Town & County Planning Act 1990 (as amended).

Deputies – Chief Legal Executive and/or Litigation Solicitor

6. In conjunction with the relevant Director, to approve orders under Section 21 of the Town Police Clauses Act 1847, for the temporary closure of streets, subject to consultation with Police and the County Council.

Deputies – Chief Legal Executive and/or Litigation Solicitor

7. To attest the Common Seal of the Council and sign other legal documents. In his/her absence, this may also be undertaken by the Chief Legal Executive or in their absence by the Chief Executive & Growth Director.

Deputies – Litigation Solicitor

8. To provide and sign statements of truth in accordance with the Civil Procedure Rules.

Deputies – Chief Legal Executive and/or Litigation Solicitor

9. To institute, defend or participate in any legal proceedings in any case where such action is necessary to give effect to decisions of the Council or in any case where the City Solicitor & Head of HR considers that such action is necessary to protect the council's interest.

Deputies – Chief Legal Executive and/or Litigation Solicitor

10. To discharge the functions of the Monitoring Officer as set out in Articles 11 and 14 of Part 2 of the Constitution.

Deputies – Chief Legal Executive and/or Litigation Solicitor

(Amended 19 December 2017)

11. To approve minor administrative/typographical corrections to the Constitution in consultation with the Leader of the Council.

Deputy – Corporate Manager Democratic & Civic Support

12. In consultation with the Council’s appointed independent person, to deal with any complaint received, alleging a breach of the Members Code of Conduct in accordance with the complaints procedure, including the authority to decide whether an allegation merits investigation.

Deputies – Chief Legal Executive and/or Litigation Solicitor

13. To determine requests from Members for dispensations to take part in the debate and/or vote in a meeting where he/she has an interest to declare, and where there is conflict, for another Member of the Audit and Governance Committee to be consulted.

Deputies – Chief Legal Executive and/or Litigation Solicitor

14. The authority to amend HR policies and procedures where a statutory change or an organisational change (i.e. change in job title/role) has occurred making the amendments necessary.

Deputy – Human Resources Transactional Services Manager

15. In consultation with the Portfolio Holder with responsibility for equality and diversity to make amendments to the equality and diversity policy.

Deputy – Human Resources Transactional Services Manager

Corporate Manager Democratic & Civic Support

1. (a) Designated as the “proper officer” for the purpose of the following sections of the Local Government Act 1972:-
 - (i) Section 100B(2) - determination of the agenda items and reports which are likely to be dealt with in part 2
 - (ii) Section 100B(7)(C) - supply of papers to the press
 - (iii) Section 100C(2) - summaries of the proceedings held in part 2
 - (iv) Section 100F(2) - determination of documents not available for inspection by members
- (b) Designated as the “proper officer” in respect of The Executive Arrangements (Decisions, Documents and Meetings) (England) Regulations 2000 and the Local Authorities (Executive Arrangements) (Meetings and Access to Information) (England) Regulations 2012.

Deputy – Democratic Services Manager

(Amended 19 December 2017)

2. In consultation with the leaders of the Political Groups, to implement minor variations of numbers and appointments of Members of Committees/Sub-Committees, in order to comply with the proportionality requirements of the Local Government and Housing Act 1989.

Deputy – Democratic Services Manager

3. To exercise the powers set out in Section 31 of the Exeter City Act 1987 in respect of the restriction on the use of armorial bearings.

Deputy – Lord Mayors Support Officer

4. To authorise the use of the Guildhall for private functions.

Deputy – Lord Mayors Support Officer

5. To carry out the duties of the Electoral Registration Officer and/or arrange for the discharge of the Returning Officer's duties.

Deputy - Electoral Services Manager

Corporate Manager Executive Support Unit

1. To conduct listing reviews and compensation reviews in respect of assets of community value.

Deputy - None

City Surveyor

In respect of every single decision/transaction in relation to property matters, the City Surveyor or the officer appointed for the purpose shall exercise the authority delegated to him/her in accordance with the following:

- 1) In undertaking property matters decisions/transactions the following authority and decision processes will apply:
 - (a) Where the cost or equivalent value to the Council does not exceed £25,000 per annum - The City Surveyor or the officer appointed for the purpose.
 - (b) Where the cost or equivalent value to the Council is between £25,000 and £50,000 per annum City Surveyor or the officer appointed for the purpose in consultation with the ~~Deputy Chief Executive Director (DB)~~.
 - (c) Where the cost or equivalent value to the Council is between £50,000 and £100,000 per annum - City Surveyor or the officer appointed for the purpose in consultation with the Executive Member with relevant portfolio and the ~~Deputy Chief Executive Director (DB)~~.

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Provided always that any decision/transaction which may involve expenditure over £100,000 in value shall be reported to the Executive for a decision.

For the avoidance of doubt no delegated authority shall be exercised unless in accordance with 1 (a) to (c) above

Deputy – Principal Estates Surveyor

2. Authority to enter into and grant leases, licenses, tenancies at will and wayleave agreements.

Deputy – Principal Estates Surveyor

3. To consent to the assignment, sub-letting or surrender of existing leases and to approve amendments to the terms of existing leases, licence or agreement

Deputy – Principal Estates Surveyor

4. Where appropriate in consultation with the City Solicitor & Head of HR, to authorise and take necessary legal proceedings for the termination and renewal of leases, agreements and licences.

Deputy – Principal Estates Surveyor

5. In consultation with the Chief Finance Officer and City Solicitor & Head of HR, to take legal/court action to enforce payment of rent and other charges due to the Council.

Deputy – Principal Estates Surveyor

6. To approve the revision of rent and licence fees either in accordance with the formula set out in the lease or in accordance with the open market value. This shall include authority to agree not to increase the rent where appropriate.

Deputy – Principal Estates Surveyor

7. In consultation with the City Solicitor & Head of HR, authority to institute proceedings for the removal of trespassers on City Council land.

Deputy – Principal Estates Surveyor

8. In consultation with the City Solicitor & Head of HR, authority to exercise the powers contained under Sections 77 and 78 of the Criminal Justice Public Order Act 1994.

Deputy – Principal Estates Surveyor

9. Authority to submit planning applications for the development or redevelopment of Council owned sites.

Deputy – Principal Estates Surveyor

(Amended 19 December 2017)

10. In accordance with any procedures required by the Asset Management Plan and in consultation the Chief Finance Officer, where this is deemed to be in the overall best interests of Exeter City Council, and where such disposal is of no strategic importance to the Authority, the disposal by freehold sale of land and/or buildings at open market value.

Deputy – Principal Estates Surveyor

11. Authority to vary or release freehold covenants where such release is not likely to prejudice the Council's existing land holding or any future development proposals.

Deputy – Principal Estates Surveyor

12. In consultation with the Chief Finance Officer and City Solicitor & Head of HR, to pay or accept compensation where appropriate.

Deputy – Principal Estates Surveyor

13. In consultation with the Chief Finance Officer, authority to acquire interests in land, provided that such acquisition is catered for within the capital bidding programme and the AIM process.

Deputy – Principal Estates Surveyor

14. To act as appointing officer and take all necessary action to comply with Party Walls, etc. Act 1996.

Deputy – Principal Estates Surveyor

15. In consultation with the Chief Finance Officer and in agreement with the other relevant Officers, to agree requests for the adoption of land and facilities provided by a developer pursuant to a planning obligation.

Deputy – Principal Estates Surveyor

16. To approve the creation or modification of approved contractor standing lists.

Deputy – Corporate Property Asset Manager

Events, Facilities & Markets Manager

1. The alteration of market days required as a result of statutory holidays.

*Deputies – Corn Exchange – Events, Facilities & Marketing Officer
Matford Centre/Markets, Facilities & Admin Officer
~~Leisure Facilities – Leisure Facilities Manager~~
Tourism Facilities – Visitor Facilities Officer*

2. To establish/vary tolls, fees and charges in respect of the Matford Centre, Corn Exchange and the various markets authorised by Exeter City Council.

Deputies – Corn Exchange – Events, Facilities & Marketing Officer

(Amended 19 December 2017)

Matford Centre/Markets, Facilities & Admin Officer
~~*Leisure Facilities – Leisure Facilities Manager*~~
Tourism Facilities – Visitor Facilities Officer

3. The day-to-day management, including where appropriate, opening hours and bookings for the Council's recreational facilities.

Deputies – Corn Exchange – Events, Facilities & Marketing Officer
Matford Centre/Markets, Facilities & Admin Officer
~~*Leisure Facilities – Leisure Facilities Manager*~~
Tourism Facilities – Visitor Facilities Officer

Museum Manager

1. The effective day to day running of the City Museums and to determine the casual use of the Museum buildings in connection with events promoted by or supported by the City Council.

Deputy – Content Management Lead Officer

2. To exercise the powers and functions of the Council under Sections 9 and 10 of Exeter City Act 1987.

Deputy – Content Management Lead Officer

3. To agree requests for the adoption of land and facilities provided by a developer for the Museums service pursuant to a planning obligation.

Deputy – Content Management Lead Officer

4. In consultation with the Executive Member with relevant Portfolio to approve items for de-accession from the museum collection, unless the item is of a significant nature or monetary value.

Deputy – Content Management Lead Officer

~~Economy & Enterprise Manager~~

Director (JY)

1. In consultation with the Executive Member with relevant portfolio Chief Finance Officer and the Cultural Lead Officer to make advances/loans to Social, Cultural and Sporting organisations in accordance with the Council's agreed policy, provided that such advances/loans are within the Council's agreed budgetary allocations.

Deputies - Sport – Tourism Manager; Arts & Festivals – Arts & Events Manager ????

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Standing Orders

STANDING ORDER 6 NOTICES OF MOTION AT COUNCIL

- (1) Except as provided by Standing Order 7, a motion shall not be proposed at a meeting of the Council unless notice in writing, signed by the member/members of the Council, is given to the Corporate Manager Democratic & Civic Support **not later than 10.00am at least** 5 clear working days before the meeting of the Council.
- (2) The Corporate Manager Democratic & Civic Support shall date and number all such motions received and enter them in a book which shall be open to inspection to every member of the Council.
- (3) The Corporate Manager Democratic & Civic Support shall in the summons for a meeting of the Council, include all such notices of motion duly given to him/her, in the order in which he/she receives them, (unless a member when giving such notice has indicated in writing that he/she proposes to move the motion at some later meeting, or has since withdrawn it in writing).
- (4) If a motion, notice of which has been set out in the summons, is not moved by the Member who has given it, or in his/her absence by some other member on his/her behalf, it shall unless postponed by consent of the Council, be treated as withdrawn and shall not be moved without fresh notice.
- (5) A Notice of Motion shall be debated at the Council meeting at which it is brought forward, unless the Council decides that it shall stand referred to a Committee, by reason of legal, financial or other relevant considerations. That Committee shall consider the Notice of Motion and report back to Council in due course.
- (6) Every motion shall be relevant to some matter in relation to which the Council has powers or duties or which affects the City.

STANDING ORDER 8 QUESTIONS AT COUNCIL

- (1) (a) a member of the Council may ask the Chair of a Committee or the Leader of the Council, any question on an item under consideration by the Council.

Provided always that the Leader may ask an Executive member with relevant portfolio to respond on his/her behalf.
- (b) the Chair of any Scrutiny Committee shall respond to any question relating to an issue considered by that Committee, save where the issue falls to be dealt with through the Executive minutes at a later stage in the meeting of Council. In such circumstances, the Leader (or such other Executive member with relevant portfolio he/she may appoint) will respond in accordance with Standing Order 12(3).
- (2) Every question shall be put and answered without discussion.

- (3) A member of the Council may:-
- (a) Ask the Chair of the Committee, or the Leader of the Council any question on any matter for which the Council has powers, duties or which affects the City, provided that he/she has given the Corporate Manager Democratic/Civic Support written notice of such question by **not later than 10.00am 5.00 pm** on the day preceding the Council meeting.

Provided always that the Leader may ask any Executive member with relevant portfolio to respond to the question.
 - (b) Where a reply cannot conveniently be given orally to the questioner or where insufficient notice has prevented a complete enquiry from being made, a written reply shall be given to all Councillors as soon as practicable after the Council meeting.
 - (c) One supplementary question shall be permitted in respect of each question.
- (4) An answer may take the form of:-
- (a) a direct oral answer; or
 - (b) where the desired information is contained in a published document, a reference to that publication.

**STANDING ORDER 19
PUBLIC QUESTIONS AT SCRUTINY COMMITTEES**

- (1) A member of the public may ask any question of the Chair of the Scrutiny Committee or Executive member with relevant portfolio, which in the opinion of the Chair is relevant to the business of the meeting provided that:-
- (a) the question was submitted in writing, including by electronic means where possible, to the Corporate Manager Democratic/Civic Support **not later than 10.00am at least** 3 working days in advance of the meeting of the Committee;
 - (b) the Corporate Manager Democratic/Civic Support in consultation with the Chair of the Committee may refuse to include the question on the agenda where the question is:-
 - defamatory, frivolous or offensive
 - is the same or substantially the same question which has been put before a scrutiny committee within the last six months
 - requires disclosure of confidential or exempt information.
- (2) A response to the question raised shall be given by the Chair or Executive member with relevant portfolio as requested. The Committee may debate the issue for up to 10 minutes at the end of which the Committee may decide whether to place the matter on the agenda of a future Scrutiny Committee for further report.

- (3) The member of the public asking the question shall have the opportunity to respond for a maximum of 2 minutes. No further debate shall be permitted.

**STANDING ORDER 19A
PUBLIC SPEAKING AT PLANNING COMMITTEE**

1. A member of the public may address the Planning Committee on any application or tree preservation order being considered by that Committee, provided that:-
 - (a) the person has indicated a wish to speak, by contacting the Corporate Manager Democratic/Civic Support by Support **not later than 10.00am** ~~5pm at least~~ two clear working days in advance of the meeting of the Committee;
 - (b) only one person may speak in support of the application or order and one person against, and unless the persons concerned nominate a spokesperson, priority will be given to the first person to have indicated a wish to speak, or otherwise at the discretion of the Chair;
 - (c) each speaker may speak for a maximum of three minutes;
 - (d) a speaker's address should be limited to planning matters, and must not be offensive or defamatory.

2. Persons speaking under this Standing Order will be heard after the presentation by an officer, and after any member of the Council speaking under Standing Order 44, but before members of the Committee debate the application or order. A speaker against the application or order will be heard before a speaker in support of it. Members of the Committee may ask questions of a speaker, and the speaker may answer, by way of clarification only.

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Scrutiny Procedure Rules

1. Number of Scrutiny Committees

The Council will have three scrutiny committees as set out in Article 6 and will appoint to them as it considers appropriate from time to time, usually at the Annual meeting of the Council. Such committees may appoint sub-committees. Ad-hoc scrutiny committees may also be appointed for a fixed period, on the expiry of which they shall cease to exist.

2. Membership of Scrutiny Committees

All councillors except members of the Executive may be members of a scrutiny committee. However, no member may be involved in scrutinising a decision in which he/she has been directly involved.

3. Co-optees

Each scrutiny committee or sub-committee shall be entitled to recommend to Council the appointment of a number of people as non-voting co-optees where particular skills or knowledge are justified and it is considered this can be best provided for in this manner.

4. Meetings of the Scrutiny Committees

Each scrutiny committee will normally meet once in a Council cycle. In addition, extraordinary meetings may be called from time to time as and when appropriate. A scrutiny committee meeting may be called by the chair of the relevant scrutiny committee, by any 3 members of the committee or by the proper officer if he/she considers it necessary or appropriate.

5. Quorum (Standing Order 42)

The quorum for an overview and scrutiny committee shall be as set out for committees in the Council procedures Rules in Part 4 of this Constitution.

6. Chairs

6.1 Chairs of scrutiny committees will be drawn from among the councillors sitting on the committee.

6.2 Scrutiny chairs will undertake the following roles:

1. To chair meetings of Scrutiny Committees and ensure that the scrutiny function is developed and exercised according to the Council's Constitution.

2. To ensure that the work of the Scrutiny committee contributes to the Council's corporate objectives.
3. To manage the workload of the Scrutiny Committee to ensure that it can effectively carry out its role of:
 - reviewing the formulation of policy development
 - advising the Executive of areas of potential improvements.
4. To liaise with Executive Portfolio holders as appropriate.
5. To contribute to the training and development of members engaged in the scrutiny and review role.
6. To approve any report which the Committee may wish to submit to the Executive as necessary
7. To be the spokesperson for the Committee within the terms of the former DTLR Code of Recommended Practice on Local Authority Publicity

7. Work Programme

The scrutiny committees will be responsible for setting their own work programme and in doing so they shall take into account wishes of members on that committee who are not members of the largest political group on the Council.

8. Agenda Items (Standing Order 18)

Any member shall be entitled to give notice to the Proper Officer that he/she wishes an item relevant to the functions of the committee or sub-committee to be included on the agenda for the next available meeting of the committee or sub-committee. On receipt of such a request the proper officer will ensure that it is included on the next available agenda.

The scrutiny committees shall also respond, as soon as their work programme permits, to requests from the Council and the Executive to review particular areas of Council activity. Where they do so, the scrutiny committee shall report their findings and any recommendations back to the Executive and/or Council.

9. Questions to Portfolio Holders (Standing Orders 19 and 20)

Relevant Portfolio Holders will normally be required to attend Scrutiny Committee meetings to respond to questions from members of the Council and members of the public **under Standing Orders 19 and 20. Portfolio Holders may also be invited by the Chair(s) of Scrutiny Committees to respond to Committee Members questions in relation to their portfolios.**

Contract Regulations

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C1 GENERAL

C1.1 Compliance with Contract Regulations

- C1.1.1 All Contracts are to comply with these Contract Regulations and the Council's Sustainable Procurement and Commissioning Strategy
- C1.1.2 Each Responsible Officer will ensure that Contracts let by their service comply fully with these Contract Regulations and the Council's Sustainable Procurement and Commissioning Strategy

C1.2 Interpretation

The Contract Regulations shall be interpreted in accordance with this schedule

C1.3 Exemptions and Contraventions

- C1.3.1 Exemption may be made from a requirement of these Contract Regulations in exceptional circumstances in consultation with the appropriate Portfolio Holder and by Executive resolution. The resolution will include the reasons for the Exemption.
- C1.3.2 Where due to the nature of the circumstance it is not practicable to obtain prior approval to the Exemption the appropriate Responsible Officer will consult with their Directors, City Solicitor & Head of HR, Corporate Managers and the Chief Finance Officer prior to entering into contract. The exercise of this authority will in every case be reported to the next meeting of the Executive. If the proposed Exemption is likely to result in the incurring of expenditure the Responsible Officer will also need to satisfy Financial Regulation 21.

- C1.3.3. The appropriate Portfolio Holder and the Executive will be informed of every Contravention of these Contract Regulations.

C1.4 Authority

No Contract shall be entered into and no person included or excluded from:

- any list of tenderers.
- any list of persons with whom the Council may negotiate

- any Standing List, or
- the Approved List

unless duly authorised by the Responsible Officer in consultation with the appropriate Directors, City Solicitor & Head of HR, Chief Finance Officer, Corporate Managers in the case of contracts up to £75,000 value and the Director, City Solicitor & Head of HR, Chief Finance Officer, Corporate Manager and the relevant Portfolio Holder in the case of contracts over £75,000 value.

C1.5 Legal Requirements

Every Contract will be let, and be in accordance with, all legislative requirements. Those requirements will prevail in the case of any conflict with these Contract Regulations.

C1.6 Duties of Responsible Officer

For each Contract or each type of Contract, and before starting the letting of a Contract, the Responsible Officer will consider, taking advice as necessary, and if the Contract Value exceeds £75,000 record in writing that consideration has been given to:

- The nature and Contract Value of the Contract and the requirements of these Contract Regulations, which will apply.
- The Financial Regulations of the Council
- How best value for money can be obtained.
- The health and safety implications of the Contract identified by way of a risk assessment.
- The equal opportunities and Human Rights implications of the Contract.
- The sustainability implications of the Contract.
- The workforce implications of the Contract.
- The advice of the City Solicitor & Head of HR - Legal on the terms of the Contract.
- The advice of the Chief Finance Officer on obtaining security or guarantees and on ensuring the Contractor has the required financial capacity to carry out the Contract.
- Whether the contractor should be required to obtain public liability or other insurance.
- Any other relevant legal requirements and Council policies and procedures including the use or otherwise of one or more clauses contained within contract regulation C5.

C1.7 Contract Value

Contract Value will not be underestimated, or Contracts subdivided in order to avoid the application of any provision of these Contract Regulations.

C2 LETTING CONTRACTS

C2.1 Procedures

Every Contract will be let in accordance with the relevant procedure in this Contract Regulation.

C2.2 Routine and Regularly Recurring Contracts

Where a Responsible Officer purchases goods and services of a routine and regularly recurring nature, either through a framework or buying consortium agreement, compliance with the remaining provisions of this Contract Regulation is not required for each and every Contract. The Responsible Officer will ensure however compliance in respect of such proportion of the Contracts and at such periods as in the opinion of the Responsible Officer is necessary to provide value for money.

C2.3 Contract Value Less than £75,000

C2.3.1 Reasonable steps will be taken to ensure value for money for the Council or the Contract will be let as if it were a Contract of Contract Value £75,000 or more.

C2.3.2 Having due regard to resources, work, services and supplies available within the Council reasonable steps will include, as a minimum:

- obtaining more than one competitive quote where the Contract Value exceeds £10,000
- inviting at least three competitive quotes in writing where the value exceeds £30,000.

C2.3.3 Competitive quotations for Construction Contracts will be obtained from persons on the Approved List. In the absence of an appropriate panel or of an adequate number of contractors on the appropriate panel a contract will be let in compliance with Contract Regulation 2.5.

C2.4 Contract Value £75,000 or more – Construction Contracts

C2.4.1 The City Surveyor will maintain an Approved List of construction related contractors, the list being divided into panels of Contractors suitable for different types of work at different Contract Values.

C2.4.2 For each Contract:

- preliminary invitations to tender will be issued to all Contractors on the appropriate panel, and
- from the Contractors who respond positively to the preliminary invitation a number will, on the basis of pre-determined criteria, be selected to be invited to tender.

- C2.4.3 In the absence of an appropriate panel or of an adequate number of Contractors on the appropriate panel a contract will be let in compliance with Contract Regulation C2.5.
- C2.5 Contract Value £75,000 or more – Other Contracts
- C2.5.1 Choice of Procedure
- Contracts will be let by the Restricted or the Open Procedure, except as may be allowed under Contract Regulation C2.5.5 or C2.6.
- C2.5.2 Contract Publicity
- Each Contract to be let under the Restricted or the Open Procedure will be given appropriate publicity to bring it to the attention of suitable persons. This publicity will include a specialist or trade advertisement where the Contract Value exceeds the current EU Thresholds. All contracts will be displayed on the Council's Website.
- C2.5.3 Restricted Procedure
- Tenders will be invited from amongst those persons who respond to the contract publicity, selected by reference to predetermined Criteria.
- C2.5.4 Open Procedure
- Tenders will be invited from all persons who respond to the contract publicity.
- C2.5.5 Standing List
- The Chief Finance Officer and City Surveyor to approve the creation or modification of approved contractor standing lists.
- Each list will be reviewed at intervals of not more than three years.
- C2.5.6 Contracts of a Specialist Nature
- Where due to the nature of the goods, services or works required the Responsible Officer can demonstrate that only a limited number of contractors can provide them the invitation to tender can be limited to those contractors.
- C2.5.7 Reserved Contracts
- Where due to the nature of the goods, services or works required the Responsible Officer can demonstrate there is a supported factory or business that employs in excess of fifty per cent of the workforce who are disabled then the Responsible Officer can in consultation with the Chief Finance Officer reserve the contract for that organisation.

C2.5.8 Framework Agreements

Where due to the nature of the goods, services or works required the Responsible Officer can demonstrate that a framework agreement is the most economically advantageous way to provide the goods, services or works then they can, in consultation with the Chief Finance Officer, implement a framework agreement.

C2.5.9 Electronic Auctions

Where due to the nature of the goods, services or works required the Responsible Officer can demonstrate that an electronic auction is the most economically advantageous way to provide the goods, services or works then they can, in consultation with the Chief Finance Officer, organise an electronic auction.

C2.5.10 Dynamic Purchasing Systems

Where due to the nature of the goods, services or works required the Responsible Officer can demonstrate that a dynamic purchasing system is the most economically advantageous way to provide the goods, services or works then they can, in consultation with the Chief Finance Officer, implement a dynamic purchasing system.

C2.6 Negotiated Procedure

C2.6.1 This procedure, for the letting of a contract, may be adopted by a Responsible Officer in consultation with the appropriate Portfolio Holder and, in the case of Contracts exceeding £75,000 value, the prior written approval of the Chief Finance Officer where:

- (1) Public Procurement Legislation governs the choice of contract award procedure, in the circumstances permitted by the Public Procurement Legislation.
- (2) In other cases, if:
 - there has been an unsatisfactory response to an invitation to tender;
 - for technical, artistic or other good reasons the contract can only be performed by a particular person
 - for any unforeseeable reasons of urgency where there is insufficient time to invite tenders;

and in all cases the reason for the adoption will be recorded.

C2.6.2 Negotiations will be conducted by a minimum of two officers personally authorised by the relevant Responsible Officer and such other persons as the Responsible Officer may consider necessary.

C2.6.3 The relevant Responsible Officer will make arrangements to ensure the proper conduct of negotiations and the satisfactory recording of the outcomes of negotiations and those outcomes including a recommendation as to who should be awarded the contract will be reported to the relevant Director/City Solicitor & Head of HR/Chief Finance Officer/Corporate Manager and Portfolio Holder.

C2.7 Award of Contract

C2.7.1 Every Contract will be awarded to the Contractor submitting the most economically advantageous tender or quotation selected by reference to pre-determined Criteria, which may include social and environmental issues.

C2.7.2 Where this is likely to lead to the acceptance of a tender or quotation which is not the lowest, where payment is to be made by the Council, or not the highest, where payment is received by the Council the Responsible Officer will record the reasons for doing so and obtain the prior approval of the appropriate Director/City Solicitor & Head of HR/Chief Finance Officer/Corporate Manager and Portfolio Holder before awarding the contract.

C2.7.3 Following the decision to award a contract a minimum ten calendar day stand still period is required if the notification is sent by electronic means or a minimum fifteen calendar day period if sent by other means to enable unsuccessful tenderers to seek clarification as to why they have been unsuccessful before formal acceptance of the winning tender.

C2.8 Nomination

The Contract will not require the Contractor to use a nominated sub-Contractor or Supplier. In all such cases three or more Sub-Contractors or suppliers will be nominated.

C2.9 Criteria

C2.9.1 All criteria for selecting tenderers, awarding Contracts or for inclusion in a Standing List will be pre-determined and recorded.

C2.9.2 All criteria for awarding Contracts will be notified to tenderers, and will always include price and criteria relating to the quality of the work, services or goods to be provided.

C2.10 Competitive Dialogue

C2.10.1 This procedure, for the letting of a contract, may be adopted by a Responsible Officer in consultation with the appropriate Portfolio Holder and the prior written approval of the Chief Finance Officer for contracts where:

- It is not objectively possible to define the technical means capable of satisfying the needs or objectives of the contract and/or
- It is not objectively possible to specify the legal and/or financial make-up of the project.

- C2.10.2 Negotiations will be conducted by a minimum of two officers personally authorised by the relevant Responsible Officer and such other persons as the Responsible Officer may consider necessary.
- C2.10.3 The relevant Responsible Officer will make arrangements to ensure the proper conduct of negotiations and the satisfactory recording of the outcomes of negotiations and those outcomes including a recommendation as to who should be awarded the contract will be reported to the relevant Director/City Solicitor & Head of HR/Chief Finance Officer/Corporate Manager and Portfolio Holder.

C3 TENDERS

C3.1 Tendering Process

- C3.1.1 All tenders for a Contract will be, and will expressly be required to be, in compliance with the provisions of this Contract Regulation.
- C3.1.2 Tenders will, if delivered manually, be submitted in a plain sealed envelope or package marked 'Tender' followed by the name of the Contract and bearing no name or mark identifying the tenderer except for a postmark or delivery mark.
- C3.1.3 Tenders, if delivered electronically, will be suitably encrypted to the satisfaction of the Council and in a form compliant with the Council's e-procurement systems.
- C3.1.4 Tenders will be delivered by a specific time on a specified day. Late tenders will only be considered where it is clear that the Tenderer has made every effort to deliver them on time and the Tender opening process has not begun. Late tenders will be returned to the tenderer, unopened, if possible, but in any case will not be opened until after all other tenders have been opened and recorded.
- C3.1.5 Tenders will, if delivered manually, be addressed to an office designated for that purpose as required by the Chief Finance Officer. Electronic Tenders will be forwarded to a secure site in accordance with the requirements detailed in the Council's invitation documents.
- C3.1.6 Tenderers will be informed that the delivery of tenders is their responsibility and that the Council will make no enquiry or allowance for tenders, which are not correctly delivered.
- C3.1.7 All tenders received shall be recorded with the date and time of receipt and entered in either a manual or electronic register kept for this purpose and held in safe custody from the time of receipt to the time of opening.
- C3.1.8 Tenders will not be accepted if:
- priced by reference to other tenders
 - qualified or conditional, by reference to qualifications applied or conditions made by the tenderer, or
 - based on the tenderers own proposals where these are at

variance with the basis on which tenders have been invited

C3.1.9 All tenders received for a Contract shall be opened together at one time in a suitable place and in the presence, as a minimum, of:

- (1) In the case of Contracts for less than £75,000 value the relevant Responsible Officer and
- (2) In the case of Contracts over £75,000 the Portfolio Holder and an Officer designated by the Chief Finance Officer and in both cases details of the Tenders opened will be contemporaneously recorded.

C3.2 Collusion

C3.2.1 Every Contractor will be required to certify, in or with its tender, that in connection with its tender:

- C3.2.2
- it has not colluded with any person with regard to the amount of, or the submission or non-submission of any tender
- C3.2.3
- it is not a member of a cartel or party to any agreement whatever aimed at or having the effect of fixing or controlling prices.

C3.3 Pricing Errors

The tender documents for all tenders which are based on or supported by a Schedule of Rates, Bill of Quantities, or other Pricing Document, will indicate how arithmetical or other errors are to be dealt with.

C3.4 Post Tender Negotiation

C3.4.1 This procedure may be adopted where the Responsible Officer advises that the Council's requirements have become fundamentally different since tenders were invited. It may be adopted only if the Chief Finance Officer advises, in writing, that it is appropriate, in consultation with the appropriate Director/City Solicitor & Head of HR/Chief Finance Officer/Corporate Manager and Portfolio Holder, the reason for the decision being recorded.

C3.4.2 No negotiations will be conducted with any tenderer unless also conducted with all tenderers, which submitted lower or otherwise apparently more suitable tenders.

C3.4.3 Negotiations will be:

- conducted by a minimum of two officers authorised by the relevant Responsible Officer
- fully and contemporaneously recorded, in writing or by other means, the recording being attested by all officers present, and
- the outcome of the negotiations will be reported to the appropriate Responsible Officer

C3.5 Health and Safety

C3.5.1 For all Contracts that are:

- considered High Risk regardless of value
- subject to the Construction (Design and Management) Regulations 2007 (CDM Regulations)

Contractors will be required to provide:

(1) At the earliest reasonable stage in the letting of the contract and no later than the time the tenders are delivered, a copy of the Contractors Health and Safety Policy, unless currently approved by the Council's Health and Safety Adviser

(2) With the Contractor's tender:

- where the CDM Regulations apply, a Statement of Response to the Pre-tender Health and Safety Plan
- In other cases, written proposals as to how the work will be carried out safely.

These documents will be forwarded to the Health and Safety Adviser.

C3.5.2 No Contract will be awarded unless:

(1) the document referred to in C3.5.1 has been approved by the Health and Safety Adviser or in their absence the Responsible Officer in consultation the Chief Finance Officer, or

(2) in exceptional circumstances and with their prior agreement, the award is subject to such approval by a predetermined time

C3.6 Withdrawal of Tenders

If a Contractor:

- Withdraws a tender during any period for which it is required to be open for acceptance.
- Does not execute a Contract on being asked to do so following acceptance of its tender
- Has a Contract terminated by the Council because of the Contractor's default.

A report shall be prepared for Executive. The report will, unless an explanation is made which is deemed acceptable to the Council by the

Chief Finance Officer recommend that no further tender be invited from the Contractor for an appropriate period not exceeding three years.

C3.7 Bankruptcy and Liquidation

No tender will be invited from, and no contract entered into with any person who:

- is bankrupt or in liquidation
- has any receiver or administrative receiver appointed to it
- has any winding up order made or (except for the purpose of amalgamation or reconstruction) a resolution of voluntary winding up passed in respect of it
- does not have the financial capacity to carry out the contract

C3.8 Standards

C3.8.1 Goods, materials and workmanship will be specified by reference to any relevant European specification or standard or if there are none to any relevant British specification or standard.

C3.8.2 Goods and materials will not be specified by reference to a particular make, source or process which has the effect of favouring or eliminating particular contractors or suppliers, except when this is unavoidable because of the subject matter of the contract or the absence of relevant specification or standards. When goods and materials are so specified the contract will permit the successful tenderer to propose suitable alternatives.

C3.8.3 All goods and materials will, wherever possible, be sourced from sustainable resources and minimise energy consumption, waste and pollution so as to mitigate the environmental impact of the Contract. Where possible all goods and materials should be evidenced as being from sustainable resources

C4 CONTRACTS

C4.1 Standard Forms of Contract

The following Standard forms of contract shall be used or incorporated

- for contracts for building work the appropriate conditions issued by the Joint Contracts Tribunal or EEC or PPC 2000 or such other contract as deemed appropriate by the Corporate Manager Property.
- for contracts for civil engineering work the ICE conditions of contract or such other standard conditions as may be approved by the Executive
- for contracts for goods, services and IT software the appropriate Council Approved form of Contract.

Amended in each case as may be necessary in accordance with these Contract Regulations, and as advised by the Responsible Officer to their Director/City Solicitor & Head of HR/Corporate Manager and the Chief Finance Officer.

C4.2 Contracts by Deed

C4.2.1 Contracts of Contract Value £75,000 or more will be by deed and under the seal of the Council except with the approval of the City Solicitor & Head of HR.

C4.2.2 A Contract of Contract Value less than £75,000 will be by deed and under the seal of the Council if the City Solicitor & Head of HR so recommends.

C4.3 Contracts in Writing.

C4.3.1 All Contracts (including Contracts placed or confirmed by an order) will be in writing or other approved electronic format and specify:

- the work, service, goods or materials to be supplied
- the price, or the basis for determining the price to be paid
- all discounts or other deductions
- the time or times for performance

C4.3.2 No Contract will provide for payment by the Council in advance of satisfactory performance or delivery unless with the express approval of the Responsible Officer in consultation with the Chief Finance Officer.

C4.4 Execution of Contracts

C4.4.1 The City Solicitor & Head of HR, Chief Legal Executive, **Litigation Solicitor** or in their absence the Chief Executive & Growth Director or the appropriate Director/Chief Finance Officer/Corporate Manager are authorised by the Council to execute, by applying the Council's common seal or by signing, all contracts or other documents duly authorised by or on behalf of the Council.

C4.4.2 Contracts or other documents which are either duly signed by a Responsible Officer or in respect of which the decision so provides may be executed by the relevant Responsible Officer if not by deed or under seal.

C4.4.3 Where any property is to be purchased by the Council at auction the City Solicitor & Head of HR may authorise in writing a person to bid at the auction on the Council's behalf and that person will also be authorised to sign any contract arising for the purchase of the property.

C5 CONTENTS OF CONTRACTS

C5.1 Required contents.

All written Contracts will, subject to the provisions of these Contract Regulations, contain the clauses set out in C5.2-C5.9 inclusive, Clause C5.10 will be included where it is thought T.U.P.E is likely to apply, amended as may be deemed necessary by the

Responsible Officer with the prior approval of the Chief Finance Officer, and will also provide that if the contractor breaks the requirements of the clauses set out in Contract Regulations C5.2, C5.3 or C5.4 the Council may terminate the Contract and recover from the contractor any loss or expense resulting from the termination.

C5.2

Health and Safety

“The Contractor will

- (1) comply with all legislation relating to Health and Safety at Work and all relevant codes of practice or other authoritative guidance and ensure that all the contractor’s sub-contractors so comply
- (2) observe and apply the provisions of the Contractor’s health and safety policy and any health safety documents and procedures relating to the contract and ensure that all the contractor’s sub-contractors do so
- (3) permit the Council’s Health and Safety Adviser or other duly authorised representative of the Council:
 - to enter and inspect places where the Contract or work in connection with it is being performed
 - to inspect any vehicle, plant or equipment used in and any document or information relating to the safe performance of the contract.

C5.2.2

If the Health and Safety Adviser is of the opinion that the Contractor is in breach of the requirements of this clause they may inform the Health and Safety Executive”.

C5.3

Assignment and Sub-Contracting

“The Contractor will not transfer, assign or sub-let the whole or any part of the contract or the benefit thereof without the prior written approval of the Council”.

C5.4

Conduct

C5.4.1

“The Contractor will ensure that the conduct of the Contractor’s employees towards or in the presence of persons affected by the Contractor carrying out of the Contract or otherwise coming into contact with the Contractor’s employees in the course of their carrying out the Contract is at all times considerate, respectful, in accordance with the requirements of the relevant Council Service, and such as to enhance the image and reputation of the Council. In particular the Contractor will ensure that no employee of the Contractor:-

- harms or exposes to danger any such person
- uses abusive or insulting language or behaviour towards or in the presence of any such person or discriminates against or harasses any such person by reason of or by reference to disability, ethnic origin, age, gender, orientation, language, religion or belief, political or other opinion, national or social origin association with a national minority, locality, property, birth or other status
- displays any pornographic material in the sight of such person
- contravenes the smoking policy in force at any Council premises or sites
- creates avoidable noise or disruption

For the purpose of this clause and the avoidance of doubt the Contractor's employees include the sub-contractors, suppliers and agents of the Contractor and their employees”

C5.5 Equal Treatment

C5.5.1 “The Contractor will comply with its statutory obligations under the Equality Act 2010 and will adopt a policy to comply with those obligations. Accordingly the Contractor will not treat one group of people less favourably than others because of their protected characteristics in relation to decisions to recruit, train or promote employees.

C5.5.2 In the event of any finding of unlawful discrimination being made against the Contractor in the three years prior to the Contract or during the Contract by any court or industrial tribunal, or of an adverse finding in any formal investigation over the same period, the Contractor will notify the Council in writing and take appropriate steps to prevent repetition of the unlawful discrimination.

C5.5.3 The Contractor will set out its policy on equalities

- in instructions to those concerned with recruitment, training and promotion
- in documents available to employees, recognised trade unions or other representative groups of employees
- in recruitment advertisements and other literature

C5.5.4 The Contractor will observe any guidance to employers and others on the elimination of discrimination and the promotion of equality of employment, including steps that can be taken to encourage members of minorities to apply for jobs or take up training opportunities.

C5.5.5 The Contractor will at the request of the Council supply the Council with details of all steps taken under sub-clause (2), examples of the various instructions and documents referred to in sub-clause (3) and such other information as the Council will reasonably

request for the purpose of assessing the Contractor's compliance with this clause and assisting the Council to demonstrate it has complied with the appropriate legislation and statutory guidance.

C5.5.6 Notwithstanding any other provisions of the Contract the Council shall not be entitled to terminate the Contract by virtue of any breach by the Contractor of this clause”.

C5.6 Corruption

“If the Contractor or any employee or agent of the Contractor has in connection with the award or administration of the Contract or any other Contract between the Council and the contractor:

- directly or indirectly offered, given or agreed to give any bribe, inducement, gift or reward
- committed any offence under the Prevention of Corruption Acts 1889-1916
- given any fee or reward the receipt of which is an offence under S117 Local Government Act 1972, then the Council may terminate the Contract and recover from the Contractor any loss or expense resulting from the termination”

C5.7 Confidentiality

C5.7.1 “Each Party:-

- (a) will treat all Confidential Information belonging to the other Party as confidential and safeguard it accordingly; and
- (b) will not disclose any Confidential Information belonging to the other party to any other person without the prior written consent of the other party, except to such persons and to such extent as may be necessary for the performance of the Contract or except where disclosure is otherwise expressly permitted by the provisions of this Contract.

C.5.7.2 The contractor will take all necessary precautions to ensure that all Confidential Information obtained from the Council under or in connection with the Contract;-

- (a) is given only to such of the Staff and professional advisors or consultants engaged to advise it in connection with the Contract as is strictly necessary for the performance of the Contract and only to the extent necessary for the performance of the Contract;
- (b) is treated as confidential and not disclosed (without prior approval) or used by any Staff or such professional advisors or consultants otherwise than for the purposes of the Contract.

C5.7.3 The Contractor will not use any confidential Information it receives from the authority otherwise than for the purposes of the Contract

C5.7.4 The provisions of Clauses C5.7.1 to C5.7.2 will not apply to any Confidential Information received by one Party from the other:-

- (a) which is or becomes public knowledge (otherwise than by breach of this Condition);
- (b) which was in the possession of the receiving Party, without restriction as to its disclosure, before receiving it from the disclosing Party;
- (c) which is received from a third party who lawfully acquired it and who is under no obligation restricting its disclosure;
- (d) is independently developed without access to the Confidential information; or
- (e) which must be disclosed pursuant to a statutory, legal or parliamentary obligation placed upon the Party, making the disclosure, including any requirements for disclosure under the FOIA, the Code of Practice on Access to Government Information (2nd Edition) or the Environmental Information Regulations pursuant to Condition [39] (Freedom of Information)

C5.7.5 Nothing in this Condition will prevent the Council

- (a) disclosing any Confidential Information for the purpose of:-
 - (i) the examination and certification of the Councils accounts; or
 - (ii) any examination pursuant to Section 6(1) of the national audit Act 1983 of the economy, efficiency and effectiveness with which the Council has used its resources; or
- (b) disclosing any Confidential Information obtained from the Contractor:-
 - (i) to any government department or any other Contracting Authority. All government departments or Contracting Authorities receiving such Confidential Information will be entitled to further disclose the confidential Information to other government departments or other Contracting Authorities on the basis that the information is confidential and is not to be disclosed to a third party

which is not part of any government department or any Contracting Authority; or

- (ii) to any person engaged in providing any services to the Council for any purpose relating to or ancillary to the Contract;

provided that in disclosing information under sub-paragraph (b) the Council discloses only the information which is necessary for the purpose concerned and requires that the information is treated in confidence and that a confidentiality undertaking is given where appropriate.

C5.7.6 Nothing in this Condition will prevent either Party from using any techniques, ideas or know-how gained during the performance of the Contract in the course of its normal business, to the extent that this does not result in a disclosure of Confidential Information or an infringement of Intellectual Property Rights.

C5.7.7 In the event that the Contractor fails to comply with this condition¹, the Council reserves the right to terminate the Contract by notice in writing with immediate effect”.

C5.7.8 Freedom of Information

“The Contractor acknowledges that the Council is subject to the requirements of the code of Practice on Access to Government Information (2nd Edition) the FOIA and the Environmental information Regulations and will assist and cooperate with the Council (at the Contractor’s expense) to enable the council to comply with these Information disclosure requirements.

C.5.7.9 The contractor will and will procure that its sub-contractors will:

- (a) transfer the Request for Information to the Council as soon as practicable after receipt and in any event within [two] Working Days of receiving a Request for Information;
- (b) provide the Council with a copy of all Information in its possession or power in the form that the Council requires within [five] working Days (or such other period as the Council may specify) of the Council requesting that information; and
- (c) provide all necessary assistance as reasonably requested by the Council to enable the Council to respond to a Request for information within the time for compliance set out in section 10 of the FOIA [or regulation 5 of the Environmental Information Regulations].

C5.7.10 The council will be responsible for determining at its absolute discretion whether the Commercially Sensitive Information and/or any other Information:

- (a) is exempt from disclosure in accordance with the provisions of the Code of Practice on Access to Government Information (2nd Edition) the FOIA or the Environmental Information Regulations;
- (b) is to be disclosed in response to a Request for Information, and in no event will the Contractor respond directly to a Request for Information unless expressly authorised to do so by the Council.

C5.7.11 The Contractor acknowledges that the Council may, acting in accordance with the Department for Constitutional Affairs' Code of Practice on the Discharge of Functions of Public Authorities under Part 1 of the Freedom of Information Act 2000, be obliged under the Code of Practice on Access to Government Information (2nd Edition) the FOIA, or the Environmental Information Regulations to disclose Information:-

- (a) without consulting with the Contractor, or
- (b) following consultation with the Contractor and having taken its views into account.

C5.7.12 The Contractor will ensure that all information produced in the course of the Contract or relating to the Contract is retained for disclosure and will permit the Council to inspect such records as requested from time to time.

C5.7.13 The Contractor acknowledges that any lists or schedules provided by it outlining Confidential Information are of indicative value only and that the Council may nevertheless be obliged to disclose Confidential Information in accordance with Clause C5.7.11".

DEFINITIONS (RELATING TO C5.7 ONLY)

“Commercially Sensitive Information” means the subset of Confidential Information listed in schedule [] comprised of information:

- (a) which is provided by the Contractor to the Council in confidence for the period set out in that schedule; and./or
- (b) that constitutes a trade secret;

“Confidential Information” means any information which has been designated as confidential by either Party in writing or that ought to be considered as confidential (however it is conveyed or on whatever media it is stored) including information which relates to the business, affairs, properties, assets, trading practices, [Goods/Services], developments, trade secrets, Intellectual Property Rights, know-

how, personnel, customers and suppliers of either party, [all personal data and sensitive personal data within the meaning of the Data Protection Act 1998] and the Commercially Sensitive Information;

“Contracting Authority”

means any contracting authority as defined in Regulation 3 of the Public Contracts Regulations 2006 ;

“Environmental Information Regulations”

means the Environmental Information Regulations 2004;

“FOIA”

means the Freedom of Information Act 2000 and any subordinate legislation made under this Act from time to time together with any guidance and/or codes of practice issued by the Information Commissioner in relation to such legislation;

“Information”

has the meaning given under section 84 of the Freedom of Information Act 2000;

“Requests for Information”

have the meaning set out in FOIA or any apparent request for information under the FOIA, the Environmental Information Regulations or the Code of Practice on Access to Government Information (2nd Edition).

C5.8

Ombudsman

C5.8.1

“In connection with any investigation by The Commission for Local Administration in England (Local Government Ombudsman) under part III of the Local Government Act 1974 the Contractor will fully co-operate with all requests made by the Ombudsman, including requests to view documents or premises or to interview the Contractor’s employees.

C5.8.2

In the event of:

- (1) The Ombudsman reporting that injustice has been caused to a person aggrieved in consequence of maladministration, and
- (2) such maladministration having been caused or contributed to by the act or omission of the Contractor and
- (3) the Council deciding on having such report laid before it to make a payment or provide some other benefit to such person;

The contractor will,

- reimburse the Council the amount of such payment
- pay to the Council the reasonable cost of such benefit, as the case may be and the Council may deduct any such sums from any payment otherwise due under the contract”.

- C5.9 Sustainability
- C5.9.1 “The Council requires that in carrying out this Contract the Contractor will perform an assessment of the likely environmental impact that could result. In performing this assessment the Contractor must demonstrate compliance with the Council’s sustainable purchasing policy and all relevant environmental legislation.
- C5.9.2 The Council expects that as a result of the assessment the Contractor will use their best endeavours to ensure they minimise any potential environmental impact by the use of appropriate sustainable policies”
- C5.9.3 In the event of any prosecution for non-compliance with environmental legislation by the Contractor during the contract period the Contractor will notify the Council in writing demonstrating the actions it has taken to prevent a repetition of non-compliance.
- C.5.9.4 If the Chief Finance Officer is of the opinion that the Contractor is in breach of the requirements of this clause they:
- a) will notify the Contractor and the Contract Administrator forthwith giving particulars of the breach
 - b) may present a report on the breach to the appropriate Director/City Solicitor & Head of HR/Corporate Manager, Portfolio Holder, Scrutiny Committee or Executive with such a recommendation as they consider appropriate.”
- C5.10 Workforce Matters
- C5.10.1 “Application of TUPE
- C5.10.1.1 The Council and the Contractor agree that where the identity of a provider (including the Council) of any service which constitutes or which will constitute one of the Services is changed pursuant to this Agreement (including upon termination of this Agreement) then the change will constitute a Relevant Transfer.
- C5.10.1.2 On the occasion of each Relevant Transfer except a Relevant Transfer upon termination of this Agreement, the Contractor will and will procure that any new Contractor of the relevant service shall comply with all of its obligations under the Regulations and the Directive in respect of the Relevant Employees.
- C5.10.2 Emoluments and Outgoings
- C5.10.2.1 The Council will be responsible for or will procure that any other employer of a Relevant Employee is responsible for all remuneration, benefits, entitlements and outgoings in respect of the Relevant Employees, including without limitation all wages, holiday pay, bonuses, commissions, payments of PAYE, national

insurance contributions, pension contributions and otherwise, up to the date of the Relevant Transfer.

C5.10.2.2 The Contractor will be responsible for all remuneration, benefits, entitlements and outgoings in respect of the Relevant Employees, including without limitation all wages, holiday pay, bonuses, commission, payment of PAYE, national insurance contributions, pension contributions and otherwise, from and including the date of the Relevant Transfer.

C5.10.3 Pensions

The Contractor will ensure that all Transferring Employees and/or Transferring Original Employees are offered membership of the pension scheme of which they were, or were eligible to be, members prior to the Transfer Date or are afforded pension rights which are certified by the Government Actuary Department [or by a professionally qualified actuary] as being broadly comparable to the terms of the pension scheme of which they were, or were eligible to be, members prior to the Transfer Date.

C5.10.4 Provision of Information

The Council warrants that the information set out in Schedule [•] relating to the [Relevant] [Transferring] Employees is accurate and complete as at the date of this Agreement and undertakes to advise the Contractor on a monthly basis up to the Transfer Date of any changes to the information provided.

C5.10.5 Contractor to Inform Council of any Measures

The Contractor will within 10 working days of receiving a request from the Council, furnish to the Council any information deemed by the Council necessary concerning any measures (within the meaning of the Regulations and the Directive) that the Contractor intends to take in relation to any Relevant Employee and shall indemnify the Council against all losses, costs, claims, demands, actions, fines, penalties, liabilities and expenses (including legal expenses) in relation to any breach of this obligation.

C5.10.6 Indemnities

C5.10.6.1 The Council will shall indemnify the Contractor from and against all losses, costs, claims, demands, actions, fines, penalties, liabilities and expenses (including legal expenses), which the Contractor will take all reasonable steps to mitigate, in connection with or as a result of any claim or demand by any Relevant Employee arising out of the employment of any Relevant Employee provided that this arises from any act, fault or omission of the Council in relation to any Relevant Employee prior to the date of the Relevant Transfer and any such claim is not in connection with the Relevant Transfer.

C5.10.6.2 The Contractor will indemnify the Council from and against all losses, costs, demands, actions, fines, penalties, awards, liabilities and expenses (including legal expenses), which the Council will

take all reasonable steps to mitigate, in connection with or as a result of any claim or demand by any Relevant Employee arising out of the employment of or termination of the employment of any Relevant Employee provided that this arises from any act, fault or omission of the Contractor in relation to any Relevant Employee, on or after the date of the Relevant Transfer.

C5.10.6.3 The Contractor will indemnify and hold harmless the Council from and against all losses, costs, claims, demands, actions, fines, penalties, awards, liabilities and expenses (including legal expenses) which the Council will take all reasonable steps to mitigate, in connection with or as a result of any claim by any trade union or staff association or employee representative (whether or not recognised by the Contractor in respect of all or any of the Relevant Employees) arising from or connected with any failure by the Contractor to comply with any legal obligation to such trade union, staff associated or other employee representative whether under Regulation 10 of the Regulations, under the Directive or otherwise and, whether any such claim arises or has its origin before or after the date of the Relevant Transfer.

C5.10.6.4 The Contractor will indemnify the Council from and against all losses, costs, claims, demands, actions, fines, penalties, awards, liabilities and expenses (including legal expenses) which the Authority will take all reasonable steps to mitigate, in connection with or as a result of any claim by any Relevant Employee that the identity of the Contractor or Sub-Contractor is to that Relevant Employee's detriment or that the terms and conditions to be provided by the Contractor or any Sub-Contractor or any proposed measures of the Contractor or any Sub-Contractor are to that employee's detriment whether such claim arises before or after the Transfer Date.

C5.10.7 Handover on termination

C5.10.7.1 During the 12 months preceding the expiry of this Agreement or after the Council has given notice to terminate this Agreement or at any other time as directed by the Authority, and within 15 working days of being so requested by the Authority, the Contractor will fully and accurately disclose to the Authority any and all information in relation to all personnel engaged in providing the Services including all Relevant Employees who are to transfer as a consequence of a Relevant Transfer as the Council may request, in particular but not necessarily restricted to any of the following:

- (a) a list of employees employed by the Contractor;
- (b) a list of agency workers, agents and independent contractors engaged by the Contractor ;
- (c) the total payroll bill (i.e. total taxable pay and allowances including employer's contributions to pension schemes) of those personnel;
- (d) the terms and conditions of employment of the Relevant

Employees, their age, salary, date continuous employment commenced and (if different) the commencement date, enhancement rates, any other factors affecting their redundancy entitlement and any outstanding claims arising from employment.

C5.10.7.2 The Contractor will warrant the accuracy of all the information provided to the Council pursuant to clause C5.10.7.1 and authorises the Council to use any and all the information as it may consider necessary for the purposes of its business or for informing any tenderer for any services which are substantially the same as the Services (or any part thereof).

C5.10.7.3 During the 12 months preceding the expiry of this Agreement or where notice to terminate this Agreement for whatever reason has been given, the Contractor will allow the Council or such other persons as may be authorised by the Council to communicate with and meet the Relevant Employees and their trade union or employee representatives as the Council may reasonably request.

C5.10.7.4 During the 12 months preceding the expiry of this Agreement or where notice to terminate this Agreement for whatever reason has been given, the Contractor will not without the prior written consent of the Council unless bona fide in the ordinary course of business:

- (a) vary or purport or promise to vary the terms and conditions of employment of any employee employed in connection with the Services;
- (b) [materially] increase or decrease the number of employees employed in connection with the Services; or
- (c) assign or redeploy any employee employed in connection with the Services to other duties unconnected with the Services.

C5.10.8 Indemnities

The Contractor will indemnify the Council and any new contractor appointed by the Council and keep the Council and any new contractor appointed by the Council indemnified in full from and against all direct, indirect or consequential liability, loss, damages, injury, claims, costs and expenses (including legal expenses) which the Council and any new contractor appointed by the Council will take all reasonable steps to mitigate, awarded against or incurred or paid by the Council or any new contractor appointed by the Council as a result of or in connection with the employment or termination of employment of any employee of the Contractor during any period prior to the date of expiry or termination of this Agreement.

C5.10.9 Sub-contractors

In the event that the Contractor enters into any sub-contract in connection with this Agreement, it shall impose obligations on its

Sub-Contractor in the same terms as those imposed on it pursuant to Clauses C5.10.7 to C5.10.9 and will procure that the Sub-Contractor complies with such terms. The Contractor will indemnify the Council and keep the Council indemnified in full from and against all direct, indirect or consequential liability, loss, damages, injury, claims, costs and expenses (including legal expenses) awarded against or incurred or paid by the Council as a result of or in connection with any failure on the part of the Sub-Contractor to comply with such terms.”

DEFINITIONS (Relating to C5.10 only)

- “Relevant Transfer”** means a relevant transfer for the purposes of the Regulations;
- “Services”** means [the whole of the services or any of them to be provided by the contractor pursuant to this agreement or such of them as may from time to time remain the subject of this agreement];
- “Sub-Contractor”** means a person to whom the contractor sub-contracts any of its obligations under this agreement
- “Transfer Date”** means the date the Transferring Employees are transferred to the employment of the Contractor and the date that the Transferring Original Employees are transferred to the employment of a subsequent contractor;
- "Transferring Employee"** means an employee of the Council whose contract of employment becomes, by virtue of the application of the Regulations in relation to what is done for the purposes of carrying out this contract between the Council and the Contractor, a contract of employment with someone other than the Council;
- “Transferring Original Employee”** means an Original Employee
- (a) whose contract of employment becomes, by virtue of the application of the Regulations in relation to what is done for the purposes of carrying out a contract between the Council and the Contractor, a contract of employment with someone other than his existing employer, and
 - (b) whose contract of employment on each occasion when an Intervening Contract was carried out became, by virtue of the application of the Regulations in relation to what was done for the purposes of carrying out the Intervening Contract, a contract of employment with someone other than his existing employer.

SCHEDULE

1. DEFINITION AND INTERPRETATION

In these contract orders the following words will have the meaning given to them below:

- | | | |
|------------------------|---|--|
| Approved List | - | the list of building and civil engineering contractors maintained by the Chief Finance Officer |
| Construction Contract | - | a Contract for building or civil engineering related work of a kind where there is an appropriate panel on the Approved List |
| Contract | - | except where the context required a different meaning a contract for the purchase or hire by the Council of work, goods or services |
| Contract Administrator | - | the person named in the Contract who has responsibility for managing that Contract |
| Contract Regulations | - | these Contract Regulations for contacts |
| Contract Value | - | the estimated total of the monetary payments to be made by or to the Council and the value or other benefits to be retrieved, enjoyed or paid by the contractor |
| | - | is exclusive of VAT |
| Contractor Criteria | - | includes a tenderer or prospective tenderer |
| | - | the criteria for selecting contractors, awarding contracts or for inclusion in a Standing List in accordance with Contract Regulations 2.0 |
| EU Thresholds | - | the relevant thresholds over which a contact needs to Comply with the European Public Procurement Regime |
| High Risk Work | | work involving or including demolition, asbestos removal or treatment or work at height such as scaffolding or window cleaning or where a risk assessment has demonstrated that the contract has an inherent high risk factor. |
| Nomination | - | the naming and by implication recommendation of a sub contractor or supplier. |
| Contravention | - | the deliberate or accidental avoidance of part or all of the requirements imposed by the Contract Regulation. |

Procurement Strategy -	the Council's strategy document that details its approach to procurement
Exemption -	The waiving of part or all of the requirements of a Contract Regulation.
Public Procurement - Legislation	regulations relating to Public Procurement
Responsible Officer -	the Director/City Solicitor & Head of HR/Chief Finance Officer/Corporate Manager or other officer nominated by the Responsible Officer
Sustainability -	Means that contracts should be carried out in a way that minimises the impact on the local and global environment, supports the local economy and benefits society.

2. REFERENCES

Any reference in these orders to any Act of Parliament or Statutory Guidance will include a reference to any statute for the time-being in force replacing or re-enacting that Act.

REPORT TO Executive

Date of Meeting: 12 December 2017

Report of: Corporate Manager, Democratic & Civic Support

Title: FREEDOM OF THE CITY – EMERGENCY SERVICES

Is this a Key Decision?

No

Is this an Executive or Council Function?

Council

1.1 What is the report about?

1.1 The Council, at its meeting on 17 October 2017, deferred consideration of a Notice of Motion regarding the offer of the Freedom of the City to the three emergency services, to the Executive.

1.2 This report asks the Executive to consider whether the Freedom of the City should be offered to the Devon & Cornwall Constabulary, the Devon & Somerset Fire & Rescue Service, and the South West Ambulance Service Trust, in recognition of the service they give in going above and beyond the call of duty for the citizens of this great City 24/7, 365 days a year without thought for themselves. It also sets out the responses from the organisations concerned.

2. Recommendation:

2.1 That the Executive consider this matter and make an appropriate recommendation to the Council.

3. Reasons for the recommendation:

3.1 Section 249 of the Local Government Act 1972, gives Councils the power to grant "Freedom of the City" to any individual who it feels has given eminent service to the City.

3.2 The matter of whether Freedom of the City should be offered to the emergency services is a difficult one, as whilst there can be no argument that the service they provide to the residents of the City meets some of the criteria against which such nominations are considered, the precedent which such an award would set for other organisations who, it could be felt, offer similar levels of service to the residents of Exeter, cannot be ignored.

3.3 If a recommendation to offer the Freedom of the City is put forward and subsequently adopted by full Council, legislation dictates that an Extraordinary meeting of the Council must be convened to specifically consider this matter, with two thirds of those present, voting in favour.

3.4 Members are reminded of the following four criteria against which nominations for Freeman of the City are considered:-

- For those who have extraordinarily served the community over a number of years (minimum of 20 years) in a voluntary or professional capacity;

- For those who have achieved national, international or world recognition for excellence in their particular field of expertise (be it business, entrepreneurial, sport, or any other area);
- For those who have promoted Exeter during their career so as to significantly raise the profile of the City on a national, international or world basis;
- For those who have via a particularly extraordinary act, or series of acts, put the safety or well being of themselves secondary to those of others.

3.5 The following nomination has been received:-

“This Council support bestowing Freedom of the City status on the Devon and Cornwall Constabulary, Devon and Somerset Fire and Rescue Service and the Southwest Ambulance Service Trust who have, over the years, gone above and beyond the call of duty for the citizens of this great City 24/7, 365 days a year without thought for themselves.”

3.5 As such, it meets several of the above criteria against which such nominations should be assessed.

3.6 As is customary with any nominations which are felt worthy of consideration, all three of the nominated organisations have been contacted to offer their response to this nomination. The organisations concerned have responded as follows:-

Chief Fire Officer - Devon Fire & Rescue Service

“We would be delighted to accept should the Executive Committee consider awarding the Freedom of the City to the Service. This considerable honour would be a reflection of the tremendous effort and dedication of each and every one of our operational and support staff who together ensure that the Fire and Rescue Service in Devon and Somerset provides the very best service to the public. All too often, Firefighters have to face truly harrowing situations to save life or recover people from truly traumatic and distressing incidents and whilst this is not done for thanks or favour, recognition of the high esteem in which staff are held is sometimes a comfort to staff who are affected by some of the tragic incidents they attend. Public support, evidenced through the award of the Freedom of the City would reinforce the value in which the staff (and the activities the Fire and Rescue Service does) are held and would be an immense privilege and an honour. In addition, at the Fire Authority meeting on the 20th October 2017, The Fire Authority were as one and supported the acceptance of such and honour, should it be awarded.”

Chief Executive - South Western Ambulance Service NHS Foundation Trust

“On behalf of South Western Ambulance Service NHS Foundation Trust I would like to thank Exeter City Council Executive Committee for considering this service for the Freemanship and I would like to confirm that we would accept this honour if it were approved.

The service would be honoured to receive the Freedom of the City and this would serve as great recognition for the hard work of our staff in supporting the community we are proud to serve.”

Chief Constable - Devon and Cornwall Constabulary

“May I, through your offices, thank the Council for their generosity in considering bestowing the Freedom of the City on Devon and Cornwall Constabulary.

The consideration alone confirms the understanding and support that frontline staff and the wider organisation receive from the City. We have, together, lived through challenging times, much of which continues today. The opportunity to receive such Freedom is a testament to the strength of that relationship. The Freedom of the City in any time, is humbling but during a time when the City itself is under such challenge yet has a clear vision of growth which embraces the very young to the eldest and those of difference, would be to receive the Freedom of a City whose values accord with those of Devon and Cornwall Constabulary.”

4. What are the resource implications including non financial resources.

- 4.1 Other than a small cost in preparing suitable ceremonial scrolls and hosting a small reception, there are no resource implications.

5. Section 151 Officer comments:

- 5.1 There are no financial implications to consider in this report.

6. What are the legal aspects?

- 6.1 Section 249 of the Local Government Act 1972, gives Councils the power to grant “Freedom of the City” to any individual who it feels has given eminent service to the City.

7. Monitoring Officer’s comments:

- 7.1 This report raises no issues for the Deputy Monitoring Officer.

8. Report details:

- 8.1 This report is as a consequence of the Council decision at its meeting on 17th October 2017, to refer the following Notice of Motion to the Executive for consideration:-

“This Council support bestowing Freedom of the City status on the Devon and Cornwall Constabulary, Devon and Somerset Fire and Rescue Service and the Southwest Ambulance Service Trust who have, over the years, gone above and beyond the call of duty for the citizens of this great City 24/7, 365 days a year without thought for themselves.”

- 8.2 As such, it meets several of the criteria set down by the Council against which any nominations for Freedom of the City are considered.

- 8.3 If a recommendation to offer the Freedom of the City was to be approved, it would be the first time that the Freedom of the City has been awarded by the City Council, to organisations other than military organisations (of which the City is currently affiliated with 6).
- 8.4 This in itself, is no reason not to approve this nomination, but Members must be cognisant of the precedent this may set for further nominations being put forward for other organisations who it may be felt have provided a similar level of service to the residents of Exeter.
- 8.5 Members are reminded that public recognition of the work of the emergency services can take many forms, not necessarily linked to the granting of the Freedom of the City.
- 8.6 For example, the Council in July 2008 accepted the following notice of motion put forward by Cllr Newby:-

That the citizens of this City through its Council and elected Members hold a day of thanks for the three emergency services to show their gratitude for their dedication and professionalism that they show to us in our hour of need and more so after the incident in Princesshay on 22 May that put so many lives at risk

- 8.7 As a consequence, a “Blue Light Parade” was held on 28th March 2009 which was attended by representatives of not only the three organisations now nominated, but also the Royal Naval Bomb Disposal Squad who had been involved in the particular incident referred to.
- 8.8 A further example of public recognition, is that in relation to the Cathedral Yard fire in October 2016, when a Service of Thanksgiving was held in the Cathedral to thank all those involved in that event including, but not exclusively, the emergency services now nominated. There was also a reception held at the Guildhall.
- 8.9 Freedom of the City for military organisations allows them to march through the streets “with drums beating, colours flying and bayonets fixed.” For an individual, the Freedom gives them limited privileges other than the ability to drive a flock of sheep through the City Centre.
- 8.5 If a recommendation to offer the Freedom of the City was approved in this case, a suitable way for those organisations to exercise that freedom would have to be devised as there is no precedent to work with.

9. How does the decision contribute to the Council’s Corporate Plan?

- 9.1 This decision will help promote the City as a regional capital and one which supports those who support and promote the City as such.

10. What risks are there and how can they be reduced?

- 10.1 There are no risks associated with the proposals

11. What is the impact of the decision on equality and diversity; health and wellbeing; safeguarding children, young people and vulnerable adults, community safety and the environment?

- 11.1 None applicable with this decision

12. Are there any other options?

- 12.1 The Council could decide not to make the award, but find an alternative way in which to recognise the work and on-going commitment to the City of the emergency services, such as those referred to earlier in the report

John Street
Corporate Manager, Democratic & Civic Support

Local Government (Access to Information) Act 1972 (as amended)
Background papers used in compiling this report:-

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REPORT TO: EXECUTIVE COMMITTEE and COUNCIL

Date of Meeting: 12 December 2017 (Executive Committee), 19 December (Council)

Report of: Director of Place

Title: Cowick Barton Tennis Court Refurbishment

Is this a Key Decision?

No

Is this an Executive or Council Function?

Executive

1. What is the report about?

To secure capital funding to refurbish the Tennis Courts at Cowick Barton Playing Fields. The courts surfaces and nets are in a poor condition and would otherwise need to be closed as the playing surface is deteriorating to level whereby safety is becoming a serious concern.

The capital estimate for repair is £30k with the need for specialist surfacing contractors who are experienced in court refurbishment and the tolerances required. A small contingency of £5k has been allowed for to cover any potential problems on site.

2. Recommendations:

- 2.1 That the Executive recommend to Council to approve an additional capital spend of £35k to cover the refurbishment of the courts. The details of the work proposed is discussed in section 8.2.

3. Reasons for the recommendation:

- 3.1 The Tennis Courts at Cowick Barton have been identified by 'Tennis For Free' as being particularly suitable for family use. This makes them important in the hierarchy of sporting provision which the City has to offer. The Cowick Barton Playing Fields area, which the Tennis Courts form part of, have been selected for enhancement within the draft playing fields strategy. We also have a duty to make sure that our facilities are safe for use and of an appropriate quality.

4. What are the resource implications including non financial resources.

- 4.1 The engineering team within Place have used specialist contractors of this nature in the past and will secure three quotes to ensure value for money in lines with our corporate procurement rules.

5. Section 151 Officer comments:

- 5.1 The section 151 Officer notes the request for additional funds and will add the funds to the budget. The additional expenditure will be funded either from borrowing or from

existing resources set aside for capital expenditure, depending on the useful life of the asset.

6. What are the legal aspects?

- 6.1 It will be necessary to comply with Exeter City Council's Contract Regulations in order to appoint a contractor. In the event that the contract value exceeds £25,000 then it will be necessary to advertise the opportunity on Contracts Finder.

7. Monitoring Officer's comments:

- 7.1 The Council's own requirements and the statutory obligations imposed upon the Council in advertising this opportunity must be followed.

8. Report details:

8.1 Background

The existing tennis courts surface and nets are in poor condition and require substantial refurbishment, or would otherwise need to be temporarily closed, as the playing surface is not sufficiently safe. The tarmac is particularly badly weathered on the base lines where adult play could result in injury, there are fracture lines within the courts and the overall surface could potentially break to pieces (de-laminate) following a severe winter.

The badly perished bitumen surface requires relaying as the courts cannot be repainted or re-lined and the ingress of moss is making the surface slippery. The chain link netting around the courts is in good condition.

The courts are extensively used throughout the year, and the location is a focus for sport and recreational activity within a high population density.

8.2 Planned Improvements

The proposed court repairs will need to include improvements to its drainage. This can be achieved by drilling a matrix of holes through the surface into the subgrade and backfilling them with chippings. This will help alleviate any surface ponding.

Other preparation works will include weed killing the surface and sweeping off any loose material and then tack coating the existing surface for adhesion purposes to apply the new "Leisure Tex" surfacing material, which is Lawn Tennis Association (LTA) approved.

The peripheral brick edging to the courts will be raised to retain the additional surfacing levels. The final surface painting and white lining will complete the ground works, together with the provision & installation of new net posts, and new rope nets, all to LTA standards.

One court will be marked to enable Community Tennis (as at the Tennis For Free courts at Heavitree Pleasure Grounds), to broaden appeal and use.

- 8.4 The works will need to be carried out by specialist surfacing contractors who are experienced and conversant with the tolerances / specification associated with this type of work.

The construction works will take 2-3 weeks to complete, subject to favourable weather conditions and estimates put the value of work at £30k.

9. Human Resources considerations

- 9.1 None.

10. How does the decision contribute to the Council's Corporate Plan?

- 10.1 The recommendation of this report supports the Corporate Plan priority to 'Deliver a robust health and safety compliance regime for corporate property'.

11. What risks are there and how can they be reduced?

- 11.1 The current rate of deterioration mean that the Courts are becoming a safety risk to users. The surface will only deteriorate more rapidly over the winter months meaning that forced closure at the start of next season is becoming more likely. Refurbishment removes this risk and enhances the asset for the future.

12. What is the impact of the decision on equality and diversity; health and wellbeing; safeguarding children, young people and vulnerable adults, community safety and the environment?

- 12.1 The upgrading of the facilities and the provision of public tennis options will improve the availability and accessibility of tennis for all.

13. Are there any other options?

- 13.1 The Authority could simply fence off the site to prevent danger to the public and remove the tennis courts from use.

Local Government (Access to Information) Act 1972 (as amended)

Background papers used in compiling this report:-

None

David Bartram
Director of Place

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