

CORPORATE SERVICES SCRUTINY COMMITTEE

Date: Thursday 22 November 2018
Time: 5.30 pm
Venue: Rennes Room, Civic Centre, Paris Street, Exeter

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 Mark Devin, Democratic Services Officer on 01392 265477.

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

Membership -

Councillors Sheldon (Chair), Warwick (Deputy Chair), Hannan, Holland, Lamb, Musgrave, Thompson, Vizard M and Wood

Agenda

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

1 Apologies

To receive apologies for absence from Committee members.

2 Minutes

To sign the minutes of the meeting held on 19 September 2018.

3 Declarations of Interests

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.

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

It is considered that the Committee would be unlikely to exclude the press and

public during consideration of the items on this agenda, but if it should wish to do so, the following resolution should be passed:-

RECOMMENDED that, under Section 100A(4) of the Local Government Act 1972, the press and public be excluded from the meeting of the particular item(s) on the grounds that it (they) involve(s) the likely disclosure of exempt information as defined in the relevant paragraphs of Part I of Schedule 12A of the Act.

5 Questions from the Public under Standing Order 19

Details of questions should be notified to the Corporate Manager Democratic and Civic Support at least three working days prior to the meeting. Further information and a copy of the procedure are available from Democratic Services (Committees) (Tel: 01392 265115) and also on the Council web site - <https://exeter.gov.uk/councillorsfaq/>

6 Questions from Members of the Council under Standing Order 20

To receive questions from Members of the Council to appropriate Portfolio Holders.

PRESENTATION TO COMMITTEE

7 Portfolio Holder Update - Support Services

A year end update on the work programme relevant to the portfolios for 2017/18 for Councillor Pearsons' (Portfolio Holder for Support Services), will be presented. (Pages 5 - 20)

ITEMS FOR INFORMATION

8 Annual Scrutiny Report

To consider the report of the Corporate Manager Democratic and Civic Support. (Pages 21 - 40)

9 Budget Monitoring Report

To consider the report of the Chief Finance Officer. (Pages 41 - 46)

ITEMS FOR CONSIDERATION BY THE EXECUTIVE

10 Overview of Revenue Budget

To consider the report of the Chief Finance Officer. (Pages 47 - 66)

11 Capital Monitoring

To consider the report of the Chief Finance Officer. (Pages 67 - 86)

12 Treasury Management

To consider the report of the Chief Finance Officer.

(Pages 87
- 96)

13 Safeguarding Policy

To consider the report of the Environmental Health and Licensing Manager.

(Pages 97
- 116)

14 Council Tax Support Scheme

To consider the report of the Benefits & Welfare Lead.

(Pages
117 - 134)

15 Council Tax Long Term Empty Premium 2019/20

To consider the report of the Local Taxation Lead.

(Pages
135 - 138)

Date of Next Meeting

The next scheduled meeting of the Corporate Services Scrutiny Committee will be held on **Thursday** 24 January 2019 at 5.30 pm in the Civic Centre.

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CORPORATE SERVICES SCRUTINY COMMITTEE

27 September 2018

Portfolio Holder Priorities 2017/18 – Year end report

End of year updates against priorities for all Portfolio Holders are included within this report.

Members will note that some Portfolio Holders report to a different scrutiny committee and are unable to take questions at all committees.

2017/18 Leader of the Council: Councillor Peter Edwards

	Priority	Update
PH1	Work with partners on a devolution city deal that meets the needs of Exeter	We have continued to work on a Heart of the South West devolution deal (productivity strategy). We have also worked with our partners in the city on a pitch to government. Initial meetings have been held with senior government officials.
PH2	Set up a new vehicle for delivering housing and commercial schemes	Work is reaching a conclusion on the full business case for the formation of a new trading company, with subsidiary companies, to enable the delivery of residential and commercial developments. The business case and business plan for the first trading year will go to Full Council on 24 th July 2018 and if approved will commence trading from 25 th July 2018 with the first developments under construction in September 2018.
PH3	Introduce a pan-council performance framework	New corporate priorities have been set in the 2018-22 Corporate Plan. When agreed a full set of metrics will be compiled to monitor progress on both these and service delivery.
PH30	Progress the publication of a new development plan (Greater Exeter Strategic Plan) and address securing a future five year housing supply	The plan is progressing well and an enormous amount of the supporting evidence has been completed by the cross-authority dedicated team working in the Civic Centre and commissioned consultants. This evidence includes reports on housing demand, infrastructure requirements, landscape assessment, transport and a Low Carbon Strategy. Notwithstanding this work the overall timetable for the GESP has slipped by approximately 12 months for a number of reasons. This is due to a number of factors including the need to respond to emerging Government policy on housing; a higher than expected response to the “Call for Sites”; and a need to more work on the Transportation Strategy. Whilst this is disappointing it is not entirely unexpected given the aspirational nature of the original timetable and the complexities of inter-authority working.
PH32	Establish governance arrangements for the CIL and	The CIL Governance Board has now met twice under the chairmanship of the Council Leader and current Portfolio Holder for Growth and City

	Priority	Update															
	an infrastructure fund for the 3 authorities	<p>Development. Terms of Reference have been developed, and the Board has discussed future CIL spend. Amongst other issues, the Board will need to consider reviewing the CIL Regulation 123 and, potentially, the CIL Charging Schedule, seeking Executive and Council approval as necessary.</p> <p>Closer working with neighbouring authorities under the auspices of the Greater Exeter Strategic Plan (GESP) has given fresh impetus to discussions focused on establishing a joint infrastructure fund across administrative boundaries. The Government's Ministry of Housing, Communities and Local Government has consulted on proposals to allow for Strategic Infrastructure Tariffs to be introduced (in addition to authority-specific CIL) where combined authorities or joint planning committees have been delegated with strategic planning powers, and the establishment of a joint planning committee for Greater Exeter is under consideration. This would cover Exeter, East Devon, Mid Devon and Teignbridge districts.</p>															
PH33	Meet government targets for time taken to determining planning applications	<table border="1"> <thead> <tr> <th>Quarter</th> <th>Majors %</th> <th>Non-majors %</th> </tr> </thead> <tbody> <tr> <td>Apr-Jun 17</td> <td>75</td> <td>72</td> </tr> <tr> <td>Jul- Sep 17</td> <td>50</td> <td>57</td> </tr> <tr> <td>Oct- Dec 17</td> <td>80</td> <td>73</td> </tr> <tr> <td>Jan-Mar 18</td> <td>56</td> <td>88</td> </tr> </tbody> </table> <p>Government target: Majors (60%), Non majors (70%)</p>	Quarter	Majors %	Non-majors %	Apr-Jun 17	75	72	Jul- Sep 17	50	57	Oct- Dec 17	80	73	Jan-Mar 18	56	88
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Jan-Mar 18	56	88															

2017/18 Portfolio Holder for Support Services: Councillor Ollie Pearson

	Priority	Update
PH4	Produce and implement a digital customer platform and maximise opportunities for shifting customers to digital services	The digital customer platform (Firmstep) is in place and enhanced, digital services are being added on a weekly basis. A single account for customers will be introduced shortly when security and privacy issues have been resolved.
PH5	Introduce a new communication and marketing strategy	<p>Marketing and communication spend has been centralised creating £68,000 and dealing with 300+ new marketing requests. A restructure is underway due for completion in July to deal with 'resilience and capacity' issues outlined in the Peer Review. Comms and Marketing strategies are being created and deployed on a departmental and project case by-case basis.</p> <p>A yearly plan will be created once the restructure is in place, to coincide with the corporate plan, which will be updated annually. Brand architecture is being established and defined with regards to Visit Exeter/Exeter City Council/waste/Dev Co/Sport England Pilot/Invest. Exeter Live Better will form the central pillar of the civic pride and inward investment element of the communications plan for the next 6 months – it has already secured £250,000k plus for in kind partner sponsorship/exposure and is due for a 1st July soft launch.</p>
PH6	Oversee prioritisation of the council's IT requirements and effective and efficient delivery by Strata Solutions	The Exeter Internal Review Board meets monthly to address issues. A new process for prioritising IT projects and business change requests has been introduced. A regular, joint meeting with East Devon and Teignbridge is now taking place to ensure alignment of priorities and identification of common issues.
PH7	Take forward the Asset Management Plan	The Corporate Property Maintenance Strategy 2018-23 has been put in place. Alongside that drafting of the new Asset Management Plan is progressing and an Asset Challenge initiative is being proposed to identify and realise early wins. The City Surveyor is engaged with Devon One Public Estate to identify opportunities within the public estate in and around Exeter.
PH8	Introduce new procurement arrangements	Following significant issues with recruitment a successful interim appointment was made in April 2018,

	Priority	Update
		<p>who is now working to the original delivery plan. Significant progress is being made on ensuring our purchase of goods and services is efficient, effective and sustainable. The interim procurement lead for housing post has been extended until September 2018 whilst the development plan is implemented. Benefits realisation is being built into the 2018/19 improvement delivery programme.</p>

2017/18 Portfolio Holder for People: Councillor Emma Morse

	Priority	Update
PH9	Investigate and deliver more cost effective and responsive temporary accommodation to meet housing needs	<p>Purchase of 25 Queens Rd (7 beds) completed 26 February 2018 without negative impact on occupants. Re-contracted support and housing management for the service pending appointment of Council staff to provide the same at a lower cost. Recruitment underway with two of three posts filled and one advertised the week beginning 11 June 2018.</p> <p>15 supported severe weather bed spaces have been negotiated with Gabriel House at no cost to department budgets. Government funding has been applied for, for a night shelter on Safesleep model for 18/19. A lease offer on an empty building is pending an agreement.</p> <p>Housing First launch of five initial units agreed for Autumn 2018. Support and risk management for contracted temporary accommodation providers reviewed and remodelled to accommodate higher risk complex needs clients where feasible.</p>
PH10	Implement the action plan for the Homelessness Strategy	<p>Year 1 Strategy Review report issued in January 2018. Key deliverables achieved include:</p> <ul style="list-style-type: none"> - Trailblazer funded work on prevention through an appointed tenancy rescue officer working across Exeter and Teignbridge; - Recruitment to private rented housing access service in Exeter; - Bringing online three properties for a local charity to develop accommodation service (St Petrocks); - Establishing a supported lodgings protocol for young persons (16-17 year olds and care leavers) plus a joint homelessness prevention protocol with Devon County Council and district housing authorities. <p>Preparation for implementation of the Homelessness Reduction Act continues with a joint action plan between Exeter and Teignbridge. Systems and processes have been updated in accordance with the new Code of Guidance in readiness to meet revised statutory obligations going forward from 3 April implementation date.</p>
PH11	Ensure the City Council is taking an active role in developing and monitoring the priorities of Integrated Care Exeter (ICE) and the Council's interest on CoLab	<p>Continued high percentage of ICE clients in Exeter's temporary accommodation with tenancies being maintained under new complex need accommodation support team – jointly with Sanctuary Supported Living.</p> <p>Additional six months of service (from 1 April 2018) agreed by Stewardship Group but awaiting funding options (costs to be reduced</p>

	Priority	Update
		<p>and management to be resourced in-house by the Council).</p> <p>Models of pooled funding / joint-commissioning tabled for exploration for 18/19 re-procurement of homelessness outreach services exercise for April 2019 onwards.</p> <p>The Council is leading the IDT & management team and service plan through System Lead and Complex Needs Caseworker. Undertaking liaison with MEAM to report on strategic and operational service development delivery.</p>
PH12	Consult on and implement the new Local Council Tax Support Scheme for 2017/18	Task completed in full
PH13	Work with partners to support the development of money management skills	<p>The Council has agreed to deliver budgeting advice and assisted digital support to Universal Credit claimants on behalf of the DWP for a further year from April 2018.</p> <p>Meetings have been held with both Plymouth Credit Union and Westcountry Savings and Loans, as both have extended their common bond to cover Devon, and a briefing note is being prepared for consideration by the Director and Portfolio Holder.</p> <p>The Budgeting & Money Management contract is in its' fourth quarter, and to date has assisted 85 customers with money advice, budgeting support, and debt remedies including agreeing sustainable payment arrangements and drawing down extra income totalling over £21k. An options appraisal is being pulled together for consideration in preparation for the contract ending this December.</p>
PH14	Ensure that the impact of Welfare Reform on residents and the Council is identified and mitigated where possible	<p>The Low Income Family Tracker Dashboard is being utilised to case work struggling households, as well as those that could be impacted by the full service rollout of Universal Credit in September 2018.</p> <p>The Benefits & Budgeting Calculator has been purchased and is being trialed by the Universal Support Team when customers apply for Discretionary Housing Payments (DHP). The Calculator links to job search and highlights excessive expenditure, and can also be used for "what ifs" e.g. how much better off would the household be if the earner increased their working hours per week from 20 to 25.</p>
PH15	Continue to focus on the recovery of funds due to the Council, based on principles of understanding customers' ability to pay	We were able to help businesses affected by the revaluation conducted by the Valuation Officer Agency (VOA) with £352k of financial support through our local Business Rates Discretionary Scheme.

	Priority	Update
		<p>Council Tax collection for 2017/18 ended 0.3% above target.</p> <p>With regard to Rent (HRA), collection has continued to improve with the outstanding debt for 2017/18 as a percentage of net rent charge being 1.55% compared to 1.71% for 2016/17 and 1.81% for 2015/16.</p> <p>Housing Benefit overpayment collection has also continued to improve with overall collection of both old and new debt for 2017/18 being 72.1% compared to 70.4% in 2016/17 and 67.3% in 2015/16.</p>
PH49	Investigate alternatives to current Council Tax Support Scheme	<p>An alternative Council Tax Support (CTS) Scheme needs to be informed by data analysis, therefore we will be procuring a resource for this in 2018/19. Our Council Tax Support Scheme is a means-tested scheme that closely mirrors its' predecessor, Council Tax Benefit. That makes it expensive to administer. However CTS is a council tax discount and with the administration funding for the scheme being cut each year, some local authorities are moving away from means testing. The Devon Benefit Officers Group (DBOG) has been monitoring and learning from changes already made to schemes throughout the country, and we will combine this learning with our data analysis in 2018.</p>

2017/18 Portfolio Holder for Housing Revenue Account: Councillor Hannah Packham

	Priority	Update
PH16	Set up a HRA Management Board	Currently under discussion with Portfolio Holder to determine if a Board with a wider remit would be more useful.
PH17	Maximise value from contractors	The Housing Service is currently employing a temporary procurement specialist to look at existing and pending contracts. The consultant is successfully working with Service Leads and Managers to improve the quality of the contracts and contract management. A renewed and more proactive approach to our work with our contractors has been introduced with a focus on Health & Safety and key performance indicators. We are at the early stages of developing our specification for the Reactive Repairs contracts due for renewal in 2020.
PH18	Ensure that the efficiency and effectiveness of the housing function matches, or aims to match that of best-in-class providers	We continue to benchmark our performance with a range of comparable housing providers throughout the country. Where performance in key areas fails to be in the top quartile we take remedial actions. These actions are recorded and monitored through service plans and operational meetings.
PH19	Propose and consult on a new model for supporting residents of our older persons' accommodation	Now in place and completed.
PH20	Undertake a comprehensive survey of our housing stock in order to understand future investment requirements and inform budget planning	The stock condition survey has been completed and so for the first time, we have a comprehensive view of the condition of this valuable asset for the Council. Its findings will inform our Asset Management Strategy due for completion in the autumn of this year.

2017/18 Portfolio Holder for Place & Commercialisation: Councillor David Harvey

	Priority	Update
PH23	Improve the recycling rate	<p>We await confirmation of garden waste and waste disposal figures before a final recycling rate and waste composition for the year is known. However, performance during quarters 1 – 3 indicate no substantial increase in recycling rate. Long term factors affecting our recycling rate remain:</p> <ul style="list-style-type: none"> • ‘Lightweighting’ of packaging materials • Decline in newsprint consumption • Growth in commercial student housing • Lack of new services to engage residents • Drop in voluntary group recycling <p>Recycling rate and full analysis due in June 2018.</p>
PH24	Improve cleansing of the city centre (to achieve A grade in the city centre and B grade elsewhere)	<p>Achieved. Grades consistently within A grade in the city centre, and B grade elsewhere.</p> <p>City Centre average for 2018 was 63% A, 37% B rating.</p> <p>Residential areas for 2018 was, 56.5% A, 42.5% B, 2% C rating to date.</p> <p>We are refocussing resources to more closely meet the agreed performance profile.</p>
PH25	Complete the business case for doorstep food waste collections and analyse options	<p>This was completed and the results presented to Place Scrutiny Committee and Executive in March 2018. The recommendations, to continue the current service but to review the business case annually, were accepted.</p>
PH43	Progress a solution for management of the Exe Estuary Harbour, canal and waterways	<p>Report presented to Scrutiny Committee on 14 June 2018.</p>
PH50	Carry out the recommendations of the Play Audit	<p>The Play Audit has been incorporated into the Sport England Delivery pilot to ensure an integrated approach to all green spaces, sports pitches and leisure facilities.</p> <p>Implementation will be coordinated with the Sport England work.</p>
PH51	Feasibility study on moving Belle Isle to Exton Road	<p>Initial feasibility study was undertaken in 2017. Faithfull & Gould have been instructed to develop proposals for redesign of Exton Road to accommodate Belle Isle services.</p>
PH52	Dog fouling / litter enforcement trial	<p>Pre-contract meeting held with councillor involvement. The trial is likely to commence in July 2018.</p>

2017/18 Portfolio Holder for City Transformation: Councillor Rosie Denham

	Priority	Update
PH26a	Lead the Council's work with Exeter City Futures, including explaining how new technology can help to tackle congestion. Reduce congestion from base data by 20% by 2025	Exeter City Futures have been formally adopted as part of the Council's transformation plans for the city. This consolidates the partnership and enables Exeter City Futures to work more closely with the Council to tackle problems of urbanisation in ways that reduce social inequality and boost economic growth within the region. Liz O'Driscoll has been seconded to the City Council, into the post of Programme Director for Exeter City Futures, and will be working closely with the senior management team to establish a clear delivery plan as well as objectives and deliverables.
PH26b	Lead the Council's work with Exeter City Futures, including explaining how new technology can help to achieve energy independence	
PH26c	Lead the Council's work with Exeter City Futures, including explaining how new technology can help to progress a smart city agenda, including digital technology infrastructure	
PH28	Work with local residents and businesses to explore ideas for future investment in South Street and the wider West Quarter, including options for a new city-centre performance venue	Lacey Hickie & Caley Ltd have been engaged to produce urban analysis and proposals for improvements. Early consultation held. Draft report under review with further consultation to follow and report to Members in the summer. New venue report completed and now out for public consultation.
PH40a	Improve cycle routes – including promoting good design	The Council has improved its links with the Exeter Cycling Campaign who are now consulted and comment on scores of major planning applications to ensure that development schemes optimise opportunities for improving cycling facilities and participation. A very well attended workshop hosted by the Campaign and with both City and County Members and Officers met in November to share good practice and improve engagement in the future. In its role as Planning Authority the Council has continued to ensure that all new major developments provide ample cycle parking and contribute towards improving the network wherever possible.
PH40b	Provide more cycle parking around St Sidwell's Point	Enhanced cycling facilities are built into the design and approved planning application.
PH46	Exeter Vision 2040	A draft of 'The Exeter Promise – A Vision for 2040' has been prepared for comments from key partners, with a view to launching this in September 2018. 'Exeter Live Better' will be rolled out as a brand for the city and ownership and take up will be reviewed.
PH48	Low Carbon Task Force	The Low Carbon Task Force continues to meet and co-ordinate a number of low carbon projects. Revised terms of reference for the group are in the process of being prepared including considering the relationship with

	Priority	Update
		Exeter City Future's energy independence objective. These will be considered by the Greater Exeter Growth and Development Board in September.

2017/18 Portfolio Holder for Health and Wellbeing, Communities & Sport:
Councillor Phil Bialyk

	Priority	Update
PH21	Work with the Community Safety Partnership to solve emerging threats and trends	<p>A review of the Community Safety Partnership has taken place looking at both the structure and priorities going into the 2018/19 financial year.</p> <p>The review of the structure has resulted in the terms of reference being amended to introduce a second deputy chair and a management group that is able to co-ordinate the activities of the CSP between the Executive Group meetings. This has resulted in Exeter City Council taking the chair supported by the Police and Fire Service in the deputy chair roles.</p> <p>An agreed set of priorities will be agreed at the July Community Safety Partnership Executive meeting and will link to other key projects such as delivering active and healthy communities through the Sport England Local Delivery Programme and Wellbeing Exeter.</p>
PH22	Develop and implement strategies that provide public reassurance and reduces the root causes of antisocial behaviour (ASB)	<p>The coordination of multi-agency solutions to ASB has continued throughout 2017/18 to address the root causes of problems as and when they arise.</p> <p>During 2017/18, 342 ASB cases were dealt with by Environmental Health and Licensing in conjunction with other agencies. As a result 11 community protection warnings and one notice was served.</p> <p>59 cases were referred to the ASB Action Team for multi-agency discussion.</p> <p>2017/18 saw the implementation of the Public Spaces Protection Order which involved the fixing of signage in 90 different locations throughout the city. Training for police officers was carried out to ensure consistency of enforcement of the PSPO requirements. Since 1 August 2017 there have been 71 breaches of the PSPO prohibitions reported. There have been 6 prosecutions taken by the Crown Prosecution Service against those who have persistently breached the order.</p> <p>Staff from Environmental Health and Licensing supported the Police, Exeter University, Students Guild, residents and Licensed Premises to welcome the new student intake to the city at the start of the academic year. This was largely a proactive engagement to educate, support and prevent issues arising, but where necessary respond quickly to matters when needed. Initiatives included enforcing the Public</p>

	Priority	Update
		Spaces Protection Order, joint residential patrols with University Patrol, working with licensed premises to ensure effective management around premises and taking councillors and residents out to see the partnership in operation.
PH34	Oversee implementation of the community strategy	Plans for review of community grants and development of ECC Community Development Strategy through 2018/19.
PH35	Explore how Asset Based Community Development (ABCD) can be introduced across the council and in key services	See PH34 update.
PH36	Work with partners to improve the health and wellbeing of Exeter's communities	This is now delivered through Wellbeing Exeter.
PH37	Implement the council's Equality and Diversity Policy	A revised policy is due to go to Corporate Services Scrutiny committee on 28 June. Work has begun on revising the committee report format to include a separate section on equality and diversity.
PH38	Renew Exeter's Fairtrade City status and seek additional partners and new support for this initiative	Exeter renewed its Fairtrade City Status successfully in November 2016 and this will be due again in November 2018. The group has continued to campaign on Fairtrade attending community events such as Respect, Exeter Green Fair and Exeter Festival of South West Food and Drink. During Fairtrade Fortnight the Portfolio Holder held a Twitter competition encouraging the public to see how many Fairtrade products they could purchase during that time. The group now has representation from the Economy team which is helping to provide links with local businesses.
PH39	Take forward the St Sidwell's Point and bus station developments, including procurement of operators	Work is ongoing by way of a formal tender for the construction works. The two-stage tender process is scheduled to conclude by October 2018 ahead of a start on site in January 2019. Tendering preparation works continue to proceed with regard to the procurement of the operator for St Sidwell's Point. Formal tenders are anticipated to be issued to Leisure Operators late 2018 / early 2019.
PH41	Apply to become a Sport England Local Delivery Pilot Partner Agree a physical activity and Sports Strategy for the City	Successful bid notified in December 2017 High level concept discussed and this will be developed during 2018/19
PH42	Continue working with partners to make Exeter the most active city in the South West by 2018	See PH41 update.

2017/18 Portfolio Holder for Economy & Culture: Councillor Rachel Sutton

	Priority	Update
PH27	Support Innovation Exeter programme with the University and others to develop the knowledge economy and to drive productivity growth across the Greater Exeter sub region	<p>The work of Innovation Exeter has been incorporated into the corporate plan for Growth & Enterprise. It is also being fed into the emerging HOSW Productivity Strategy Delivery Plan, as well as the work around developing a growth corridor for Plymouth, Exeter and Torbay.</p> <p>The University of Exeter is pursuing options around the recommendations of the South West Science & Innovation Audit for Exeter.</p> <p>A submission has been submitted to central government to establish an Institute of Technology within the city, with Exeter College and the University of Exeter as partners. Additional FE & HE establishments from across Devon, Cornwall & Somerset are also included within the bid – hub (Exeter) and spoke (everywhere else) model is being recommended. The Bid has now been successful at stage one.</p> <p>A Digital Skills Partnership Pilot has been launched in the HOSW. Which is a national pilot to help identify gaps in digital skills provision, encourage partners to work strategically together to address them and attract investment from outside bodies. Officers from the City Council are directly involved with the pilot, to address digital skills gaps within Exeter.</p>
PH44	Drive transformational economic growth by directing business support at innovation and entrepreneurship (as identified in the Innovation Exeter Programme and including Exeter City Futures accelerators)	<p>Support has continued for the Exeter Velocities programme, which was launched this year to support a second cohort of new business start-ups which enable them to test their ideas and innovations.</p> <p>Exeter City Futures have been formally adopted as part of the Council's transformation plans for the city. This consolidates the partnership and enables Exeter City Futures to work more closely with the Council to tackle problems of urbanisation in ways that reduce social inequality and boost economic growth within the region. Liz O'Driscoll has been seconded to the City Council, into the post of Programme Director for Exeter City Futures, and will be working closely with the senior management team to establish a clear delivery plan as well as objectives and deliverables.</p> <p>Limited funding has been provided to the Heat of the South West Growth Hub, which will enable bespoke and face to face business support to be provided to new business start-ups and grow on businesses within Exeter.</p>

	Priority	Update
		An audit of what business support is available to businesses within Exeter has been undertaken. Recommendations on a way forward to support transformational economic growth to be discussed at Place Scrutiny Committee.
PH45	Inclusive Growth	<p>The Inclusive Growth agenda is now a focus of activity for the Growth & Enterprise team and is incorporated into our annual service plan, with the objective being: <i>“Enabling as many people as possible to contribute and benefit from growth and to tackle placed based social inequalities - Inclusive Growth”</i>.</p> <p>Inclusive Growth activity is broken down into three activity areas: skills & learning, jobs and public sector procurement. The new Skills Officer is leading on the delivery of this work.</p> <p>A pre-apprentice programme has been developed, to be piloted in a small number of schools this autumn to determine proof of concept. The programme is aimed at young people in school, who have no desire to attend university, and to open their eyes to the wide range of employment and training options to them.</p>

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REPORT TO: PEOPLE SCRUTINY
PLACE SCRUTINY
CORPORATE SERVICES SCRUTINY

Date of Meetings: 1st November 2018, 8th November 2018, 22nd November 2018

Report of: The Scrutiny Programme Officer,
Democratic Services and Civic Support

Title: Annual Scrutiny Report 2018

Is this a Key Decision?

No

Is this an Executive or Council Function?

Council

1. What is the report about?

To provide an annual update in respect of the Scrutiny work achieved during the municipal year 2017/2018.

2. Recommendations:

The Annual Scrutiny Report 2018 is acknowledged and approved.

3. Reasons for the recommendations:

The Annual Scrutiny Report provides the Scrutiny Committees with an opportunity to:-

- a) track the progress of the Scrutiny function and process at Exeter City Council;
- b) comment upon the progress and direction of Scrutiny over the past year and into the future;
- c) ensure that the Scrutiny Committees are kept fully up to date as to the Task and Finish Groups and what they have achieved;
- d) illustrate how effective Scrutiny can contribute towards an accountable, transparent and democratic process.

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

None.

5. Section 151 Officer comments:

There are no financial implications contained within this report.

6. What are the legal aspects?

None identified.

7. Monitoring officer Comments

This report raises no issues for the Monitoring Officer.

8. Report Details:

This update concentrates on providing Members with an overview of the work and achievements of Scrutiny during 2017/2018 and is set out in detail at Appendix A attached to this report.

This update is divided into five main areas:-

- The Scrutiny Work Programme
- Task and Finish Group priority topics
- Summary of Task and Finish Group work
- Outstanding Task and Finish Group work
- Profile of Scrutiny at Exeter City Council

9. 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?

None in respect of the recommendation contained within this report.

**Anne-Marie Hawley : Scrutiny Programme Officer,
Democratic Services and Civic Support
Local Government (Access to Information) Act 1972 (as amended)**

Background papers used in compiling this report: None

Contact for enquiries : Anne-Marie Hawley
Phase I : Room 2.3
(01392) 265110

APPENDIX A

REPORT TO: PEOPLE SCRUTINY COMMITTEE
PLACE SCRUTINY COMMITTEE
CORPORATE SERVICES SCRUTINY COMMITTEE

Date of Meetings: 1st November 2018, 8th November 2018, 22nd November 2018

Title: Annual Scrutiny Report 2018

1. The Scrutiny Work Programme

Following discussion at the Annual Scrutiny Work Programme meeting in July 2018, the Scrutiny Work Schedule has been amended as follows:-

- a) The Council Tax Support Scheme and the Increase in the Council Tax Empty Premium reports will both be submitted to the Corporate Services Scrutiny Committee.
- b) An overview presentation on Exeter City Futures Urbanisation issues will be provided to each of the Scrutiny Committees.
- c) The Annual Health and Safety Report will now appear on all three Scrutiny Committee Agendas since the interest spans across all areas.
- d) The Local Air Quality Action Plan progress report and recommendations will appear on the Scrutiny Bulletin as an update once the report has been considered by the Place Scrutiny Committee.
- e) An overview presentation detailing Exeter's cultural offer will be provided to the Place Scrutiny Committee.

2. Task and Finish Group Priority Topics

Through the Interim and Annual Scrutiny Work Programme Meetings which took place in November 2017 and July 2018 respectively, Members identified priority topics for Task and Finish Group/Spotlight Review investigation as follows:-

- Accessibility and Inclusion
- Green Travel Plans – IKEA
- Green Travel Plans - Policy
- Impacts upon the City
- The Evening Economy
- Financial Reporting
- Member Development
- Agency Working
- Council Representation on Outside Bodies
- CCTV
- Estimates, fees and charges
- Governance Review
- Housing Tenant Involvement
- PSPO Spotlight Review

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Together with topical presentations:-

People Scrutiny Committee

- The impact of Universal Credit going live in Exeter;
- Accessibility and Inclusion – a presentation by the Joint Chair of the Devon Learning Disability Partnership Board and Devon County Council's Involvement Officer.

Place Scrutiny Committee

- Transport/buses/City/Quay

3. Summary of Task and Finish Group/Spotlight Review Work

Concluded Groups:-

Green Travel Plans (IKEA)

(Reported to Place Scrutiny Committee: 14th June 2018)

Green Travel continues to be high on the list of priorities both locally and nationally.

The work of this Task and Finish Group linked in with the Council's aims and priorities in terms of the Core Strategy Plan, The Air Quality Strategy 2015 – 2020, Exeter City Futures: Congestion Free by 2025, and the National Planning Framework Policy and would continue to contribute to the wider conversation around congestion and transport in Exeter.

The Group consisted of Exeter City Councillors, Devon County Councillors and officers from the respective Authorities, the Travel Devon Business Coordinator and a representative from Exeter City Futures.

Key objectives were settled upon as follows:-

- (i) To review the IKEA Green Travel Plan as a benchmark example.
- (ii) To understand how future Green Travel Plans might be improved at the planning stage.
- (iii) To understand the interconnecting role of Devon County Council in terms of performance monitoring, review and enforcement.
- (iv) To ascertain whether this Green Travel Plan aligns with the aspirations of Exeter City Council and Exeter City Futures.

Members understood the challenges and restrictions faced through planning framework limitations and considered the aspirational targets of the Council and Exeter City Futures in relation to congestion targets.

The Group were keen to hear from IKEA representatives so that they could understand IKEA's plans for the future in terms of developing and improving the existing plan. Intentions were not clear from the existing Green Travel Plan document.

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IKEA's Marketing Manager and Travel Coordinator attended and explained that IKEA's travel plan is still in its infancy in terms of development but that IKEA remain committed and very keen to make it work and continue to engage with Exeter City Council. Performance of the IKEA Green Travel Plan in terms of measured success would not be apparent until 12 months has passed. It would then be easy to identify what the successes are, what the challenges are and what could be improved.

The Group considered that early discussion of larger scheme Green Travel Plans would highlight key issues at a stage that would still allow time for the developer to adapt schemes before they are submitted to Planning Committee. At present Green Travel Plans are dealt with primarily through planning conditions and reliant upon discharge so the Group felt that early discussion with developers would ensure that they are fully aware of expectations and the standard of Green Travel Plan required, in turn creating more robust and aspirational Green Travel Plans going forward and it was agreed that this should be a key consideration of the Task and Finish Group's work.

It was established that consistency of approach, both in terms of Exeter City Council and key partners, is essential to successfully ensuring that more detailed and better quality Green Travel Plans are submitted to the Planning Committee and specific training for Members would provide them with the further knowledge required to review Green Travel Plans put forward by developers and raise the bar on expectations as they would have a better understanding as to what could be achieved with various schemes.

Recommendations were put forward to the Place Scrutiny Committee and subsequently approved as follows:-

- (a) To support a review of the performance of the IKEA Green Travel Plan in 12 months' time.
- (b) To request early discussion of Green Travel Plans for larger schemes at Planning Member Working Group (PMWG) or at Delegated Briefing as appropriate.
- (c) To agree that green travel planning should be incorporated into the yearly Planning Induction Training for Councillors.

As a side issue it was agreed that it might be helpful if Green Travel Plans in respect of future significant schemes were raised at the Highways and Traffic Orders Committee (HATOC) highlighting key issues for discussion and feedback. A member of the Task and Finish Group was also a member of HATOC and would raise this at their next meeting.

An update on the performance of IKEA's Green Travel Plan appears on the Scrutiny Work Schedule for the Place Scrutiny Committee to consider at their meeting on the 13th June 2019.

Both Councillors and Officers can request early discussion of Green Travel Plans for larger schemes at PMWG or Delegated Briefing where appropriate on a case by case basis.

In terms of training, the City Development Manager will incorporate an aspect on Green Travel planning within the induction planning training which takes place every year.

Green Travel Plans (Policy)

(Reported to Place Scrutiny Committee: 14th June)

As with the Green Travel (IKEA) Task and Finish Group, this piece of work linked in similarly with the Council's aims and priorities surrounding the Core Strategy Plan, The Air

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Quality Strategy 2015 – 2020, Exeter City Futures: Congestion Free by 2025, and the National Planning Framework Policy and the general discussions around reducing congestion and improving transport within Exeter.

Again, the Group membership consisted of Exeter City Councillors and officers, Devon County Council Officers and Exeter City Futures representatives. Members were particularly keen to look at how the City Council's policy currently interacts with planning applications.

The Group decided that the key objectives should be to:-

- (a) help shape and form a short guidance note to accompany the Sustainable Transport Supplementary Planning Document (STP);
- (b) identify how the City Council can encourage City based organisations and communities to work together to meet the City's Green Travel aspirations;
- (c) encourage improvements to existing Green Travel Plans;
- (d) identify ways in which Exeter City Council and Devon County Council can enhance their collaborative working to further improve the quality of Green Travel Plans going into the future.

Overviews were provided by both Exeter City Council's City Development Manager and Devon County Council's Principal Transport Planner to clarify the planning policy background and provide the Group with some understanding of the framework through which it is delivered.

It was accepted that the Sustainable Transport Plan sets out the minimum requirements for businesses to provide and encourage their staff to get to work using sustainable travel but that both the City Council and the County Council could call for stricter adherence to that requirement.

Through subsequent discussions consideration was given to questions such as:-

- How much can the City Council achieve through the traditional planning system?
- How much can the City Council achieve outside the planning process?
- How ambitious does the City Council want to be with regard to travel plans?
- Does the City Council work closely enough with Devon County Council and other key partners?
- Is the policy basis sufficient?
- Can the City Council become more aspirational in negotiations when it comes to green travel plans?
- Are ambitions aligned?
- How do we collectively find solutions?

Engagement with interested organisations and community groups was recognised as essential to gain a different perspective, take on board ideas and comments and to assist in encouraging employers to sign up to the green travel approach. Working with schools and the community to change the culture together with collective ownership of ideas and objectives were seen as key to improving success as was encouraging businesses to engage with each other, raising awareness of positive examples of innovative Green Travel Plans, for instance, Oxygen House.

Guidance analysis as to how much green travel could save businesses and research into what revenue businesses could lose if car parking spaces are lost to workers might encourage businesses to adopt more of a green travel approach with staff. Engagement

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with the BID was seen as key to reaching local City based businesses and encouraging their cooperation, but it was also recognised that the City Council should lead by example, through their own green travel plans.

The Group concluded that Exeter City Council and Devon County Council could further assist developers and applicants in understanding the City Council's Green travel aspirations, ambitions and direction of the policy, whilst continuing to positively promote green travel with key organisations and communities across the City of Exeter, helping to improve future and existing Green Travel Plans. Aligning aspirational targets with key partners, such as Exeter City Futures, Devon County Council and the wider business community were seen as essential to ensure a more effective and robust level of Green Travel Plans moving forward.

On the 14th June 2018 the Place Scrutiny Committee approved the Task and Finish Group's recommendations.

As a result of the Group's work, officers from Devon County Council, Travel Devon Team, Exeter City Council and Exeter City Futures have met and discussed the content which should be included in the guidance note to accompany the STP and how City based organisation and communities could be encouraged to work together to meet the City's green travel aspirations.

It was established that local case studies would be an essential component of a guidance note and that presentation would also be key. The four main sections will relate to:-

- (a) Planning Policy background
- (b) Devon Toolkit
- (c) Three good examples/case studies
- (d) A "did you know page" covering data statistics on air quality impact on knowledge workers/working days lost, for example.

The Principal Transport Planner, Devon County Council is currently drafting the guidance note in association with Exeter City Council's City Development Manager and the draft note is expected to be available by October 2018, following which it will be submitted to the Place Scrutiny Committee seeking approval for its publication against a re-launch of the Sustainable Transport Supplementary Planning Document.

Exeter City Futures and the Travel Devon team are now collaboratively working on business engagement, research and analysis.

The City Development Manager (ECC) and Principal Transport Planner (DCC) identified the following areas where collaborative working may be improved to achieve more robust Green Travel Plans going forward, which could be implemented immediately through current working practices:-

- Work more closely with key site developers during the determination period, to identify key points to be included in their proposed Green Travel Plans and overall report to the Planning Committee. This will raise the profile of Green Travel and the City's aspirations which will produce better outcomes.
- Making it clear to people what is being proposed very early on in the planning process.
- Improving engagement with various groups who provide very detailed responses to planning applications/green travel plans which are welcomed and essential in order to fully inform the proposed Travel Plan.
- avoid a "disconnect" in trying to deal with areas through discharge of planning conditions in favour of identifying opportunities at an early stage.

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Through the work of this Group Members came to the conclusion that it is important to continue with efforts to ensure public engagement and that if Green Travel Plans were discussed much earlier in the process this would ensure a better result for everyone concerned. They felt strongly that it should be made clear to developers and organisations that once a Green Travel Plan is in place, if the site is expanded in future, it would be possible to re-assess the requirements in conjunction with green travel opportunities available and this point should be highlighted during initial discussions.

Financial Reporting

(Verbal updates provided to each Scrutiny Committee: June 2018)

The intention behind this Group was to focus on the financial reports prior to their submission to the Scrutiny Committees so that Members could identify what aspects they would like to concentrate upon since these may be different from those highlighted by the accountants. This would make the scrutiny of financial reports more effective and ensure that, should Councillors have questions about service areas, Service Managers could be asked to attend to provide further information and answer service related questions. This would streamline the effectiveness and quality of scrutiny.

Members could also consider how financial reports may be improved so that they would be easier to read and understand. This would enable greater challenge of the content of the reports.

Membership of the Group consisted of:-

Cllr Sheldon (Chair of Corporate Services Scrutiny Committee)
Cllr Wardle (Chair of People Scrutiny Committee)
Cllr Owen (nominated by the Chair of Place Scrutiny Committee)
Cllr Henson
Cllr Mitchell

It was quickly established that not all underspends are necessarily good and not all overspends are bad and it was recognised that different service areas can fluctuate and budgets are set on assumptions and intelligent estimates.

The Group identified areas which Members may wish to particularly consider when reviewing financial reports such as:-

- The impact of underspends on the level of service;
- Areas which are over or under budget;
- Whether budgets previously showing underspends have been amended for future;
- Whether the budget is reasonable;
- The reason for trends and particularly consistent trends;
- If bids to the Capital Programme are accurate;
- Whether expectations as to the level of delivery are realistic when considering available budget;
- Attention to the Investment Strategy and whether the Council continues to reduce the debt;
- Whether overspends are fundamental or ongoing and the reasons for this;
- Identifying areas for savings over the next 2 years.

Various improvements could be made to the financial reports immediately and with relative ease by officers such as:-

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- (i) Future budget monitoring reports to provide both the previous outturn variance forecast and the current outturn forecast on a management unit basis, so that Members can see how forecasts have changed.
- (ii) A brief explanation will appear against each point, accompanying details of overspends and underspends, setting out clearly how the figures have changed in the last three months so that it is easier for Councillors to identify and challenge.
- (iii) Where there is an overspend split between two items, the proportions of that split will appear in brackets by the side of the item.
- (iv) The last quarter figures will be included and highlighted. At present, the standard layout of variances with details of overspend and underspend is 3 months on from the previous report figures and because of this Members cannot see how the figures have changed.

These improvements have now been implemented by the Chief Finance Officer and his team.

This Spotlight Review also acted as a timely reminder that the Chairs and Deputy Chairs of the Scrutiny Committees are entitled to attend Executive meetings to set out areas of concern to their Committees and that Executive Members would welcome this, particularly in respect of financial reporting.

Financial training continues to form part of Councillors' induction training each year. As a result of this Group, the training now includes two elements, the first being a training session delivered by the Chief Finance Officer which details an internal overview and a session delivered by an external trainer providing a general overview. The focus of the training is to understand how to effectively scrutinise accounts and ask the right questions.

Member Development

(Verbal up to Corporate Services Scrutiny Committee: 27th September 2018)

The purpose of this Spotlight Review Group was to gain feedback from Members as to the current Member Development Programme including the induction plan, training and briefings.

Members were provided with details of the current induction plan, training and briefings for 2017/2018.

In relation to Members' training the Group suggested that:-

- Planning training should be made available to all Councillors and not just those who are selected for Planning Committee;
- More indepth ipad training would be helpful;
- More detail as to the existing skills base of Councillors should be obtained so that training needs can be better assessed;
- The level of training could be structured so that, for example, Level 1 would cater for new Councillors, Level 2 for old and new Councillors (concentrating on updates) and Level 3 for all Councillors mainly concentrating on new information;

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- Understanding the difference between a “duty” and a “power” should be covered within the existing governance training for Councillors;
- The training session on Committees and roles should take place the week before the Annual Council meeting;
- Paper information on training should be made available in the Members’ room and saved on the “S drive” since it is not possible to access the documents on ipads after 6 months;
- The Party Whip should encourage attendance at training sessions.

In relation to the Induction Programme the Group suggested that:-

- Small group visits should be arranged for Councillors to Belle Isle, MRF, RAMM and the recycling and collection rounds (for example). This would give the opportunity for Councillors to integrate with services and staff and gain first hand experience of what the service does and how it operates;
- There should be a tour of developments within the City and an opportunity to meet the planning team and cleansing team given that a lot of issues Councillors deal with relate to these areas;
- The opportunity to attend Planning Committee, Planning Member Working Group and Delegated Briefings should be highlighted to Councillors in case they wish to attend;
- At least two dates should be made available for Councillors to meet Directors and senior managers and the meetings should be reduced time wise;
- Existing Councillors should attend in a group to provide details and “sign up” post Election and new Councillors should be seen at arranged individual appointments.

In relation to Members’ Briefings the Group suggested that the level of attendance may be improved by:-

- Providing more information with the invitation as to the importance of the briefing;
- Sending invitations a week or two before the date of the Briefing instead of sending Councillors a block of invitations to all planned Briefings;
- Sending weekly reminders to Councillors as to what the current week’s Briefing relates to and when it is, asking for confirmation of attendance.
- The Party Whip should encourage attendance at Member Briefings.

Other, more general suggestions related to there being a list of useful officer contacts and the responsibilities of various front line services being made available together with a list of 24 hour services and contact details, for example, to use in reporting noise nuisance during the night time. It was also felt that a general organisational structure chart would be helpful in relation to operational services so that Councillors knew immediately who to contact in the event of a problem and an escalation process regarding particular problems or complaints. It would also be useful to have details of who does what outside the Council, for example, details of organisations and contact numbers in respect of Highways and Schools.

Generally, the Group felt that the offer in respect of Member Development was currently good, but valued the opportunity to look at ways in which it could be further improved.

The Corporate Manager, Democratic and Civic Support, together with the Democratic Service (Committees) Manager are working together to bring the Group’s ideas forward.

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Agency Working

(Update reported in the Scrutiny Bulletin: 4th July 2018)

This topic was identified as high priority for Spotlight Review as Councillors wished to review agency usage figures and the reasons behind high usage in certain service areas. There was a concern that not all Councillors may be aware of the current position.

The Group were provided with a table to show the hours & cost per department for the months of October 2017 & April 2018 to give an illustrative idea of any variation, together with a spreadsheet showing "Agency Total Hours FTE" which showed a month by month breakdown of agency workers' hours as well as the pre-VAT cost (records kept since July 2017).

Prior to the meeting, the service areas of Housing, Public Realm, Refuse/MRF, Customer Access and HR were identified as having fairly significant variances and the Service Leads from these areas were invited to attend the meeting to explain the reasons for this.

In conclusion, the Group found a broad theme for variations across these front line services with reasonable explanations such as:-

- Vacant posts due to staff sickness, holiday, retirement or maternity leave;
- Pool staff are used where possible but there is a limited supply;
- Seasonal work creates fluctuation in terms of staffing required;
- Seasonal variations mean that there is a real risk that if posts are covered by recruiting permanent staff, the Department would be overstaffed for a number of weeks in the winter;
- Extra demand at various times (for instance, cleansing and refuse/student term times);
- Whilst there is a supportive and generous absence policy, long term absences can cause a staffing problem and particularly where it is not possible to offer light duties (for example MRF/Refuse);
- Staff positions need to be covered straight away in terms of front facing services (such as the Customer Service Centre for example);
- Difficulty in recruiting;
- Lack of a permanent funding stream (in respect of external funding) which can be used to secure agency staff but not to support a full time and permanent staff position;
- Re-structure resulting in the loss of staff.

It was acknowledged that the Strategic Management Board together with HR continue to monitor agency usage on a monthly basis which provides an accountability check in terms of need and necessity. However, the Group were clear that variations should be assessed on a service by service basis, since the issues affecting each service are individual rather than uniform and that it was important to recognise that the ebb and flow of agency staff usage is not evident in the information provided to the Group.

Council Representation on Outside Bodies

(Reported to Executive: 10th July 2018 and Council: 24th July 2018)

The Corporate Manager, Democratic and Civic Support put forward the suggestion for this Spotlight Review since he wished Members to have the opportunity to consider:-

- What is achieved through representation?

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- Is there merit, necessity or both in continuing with representation?
- What the Councillor attendance record is like.

Members were reminded that all appointments can be viewed on the City Council website and that the full list of Appointments to Outside Bodies is reported once a year in the first cycle in the Municipal Year.

The Group worked through the list of organisations (52 in total) to determine whether to recommend that the Council withdraw or continue with representation. Special consideration was given to charitable organisations since withdrawal of representation could mean that they would have to change their Articles of Association and make a direct approach to the Charities' Commission. This could have a negative impact on the charities concerned which Councillors wished to avoid.

Findings of the Group and recommendations as to appointments were submitted to the Executive Committee on the 10th July and subsequently to Council on the 24th July 2018 and were approved together with a recommendation that the Corporate Manager Democratic and Civic Support should be granted delegated powers, in consultation with Group Leaders to appoint, where necessary, representatives to outside bodies during the course of the Municipal Year. This would facilitate rapid appointment wherever possible and remove the need to report to Executive and Council which could cause unnecessary delay to the appointment process.

PSPO Spotlight Review

(Reported to Place Scrutiny Committee: 13th September 2018)

The purpose of this Spotlight Review was to provide the Place Scrutiny Committee with an update following implementation of the Public Spaces Protection Order (PSPO) in June 2017 which would detail the operation and effectiveness of the PSPO in reducing problematic anti-social behaviour together with details of any negative or unforeseen impacts that may have developed and provide any recommendations for varying or discharging the Order.

The Neighbourhood Inspector for Exeter and the City Centre Sergeant attended to provide input from a police perspective. They explained that the initiative generally presented an opportunity to work with other organisations such as the City Council together with businesses, communities and agencies to collectively demonstrate that the City will not tolerate certain behaviour and to put in place prevention measures. The power to seize alcohol is used by the police on a daily basis.

In conclusion the Group agreed that:-

- The PSPO is working well with a 16% reduction in anti-social behaviour reported to the Police.
- The power to seize alcohol and disperse groups and individuals is a very effective tool in tackling anti-social behaviour,
- The area currently covered by the PSPO is sufficient.
- The collaborative, multi organisational response is working well in terms of prevention, education and enforcement.
- Communities are being encouraged and supported to tackle low level anti-social behaviour, particularly through the Community Safety Partnership.

Councillor Vizard and Councillor Wright presented a report on behalf of the Group to the Place Scrutiny Committee on the 13th September 2018 where it was agreed that the PSPO is working well and should continue in its current form.

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Governance Review

(Reported to the Audit and Governance Committee: 19th September 2018)

The basis for this cross party Review arose out of the Audit and Governance Committee meeting held on the 14th March 2018. The Committee agreed to the formation of a Governance Review Group to address the roles and responsibilities of the various Committees, to ensure that they continue to meet the Council's priorities, aims and objectives and that the standing orders and procedural rules contained within the Constitution remained fit for purpose.

There were three main aspects to the Review:-

- i. To draw a comparison between Exeter and other similar sized Authorities in terms of the democratic services offer;
- ii. Whether the Constitution and Standing Orders remain fit for purpose;
- iii. To identify ways in which the structure and content of the Council's democratic processes might be streamlined and improved.

In respect of (ii) comparisons were drawn with Norwich, Cambridge, Sedgemoor and Taunton Deane, considering in particular, staffing, committees, number of meetings and available budget for Democratic Services.

Specific aspects were considered such as:-

- The appetite for revision of the work load of the Scrutiny Committees – are they working as effectively as possible in their current form and number?
- Is there merit in introducing the facility for public speaking at all Committees?
- Should there be a restriction on the amount of time Councillors have to speak or restricted to a right to reply or point of clarification?
- Should amended recommendations be projected onto a screen at respective Committee meetings before the vote is taken so that Councillors are absolutely clear as to what they are voting upon?

The Review Group concluded that the Constitution and Council procedures largely remain fit for purpose subject to slight alterations and that, in the main, the Democratic process and structure at Exeter City Council works well with a reasonable comparison drawn with other similar sized Authorities.

The following recommendations were submitted to the Audit and Governance Committee on the 19th September 2018:-

- (i) The amendment of Standing Order 8 (3) (a) to state that questions should be submitted in written form no later than 10 am on the working day before the meeting.
- (ii) The addition to Standing Order 10 (6) of the following: "As long as the effect is not to negate the motion";
- (iii) The publicising, through social media and other means determined by officers, of the Council agenda prior to commencement of the Council meeting;

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- (iv) That Committee Chairs will move the minutes of their respective Committees for noting on block rather than minute by minute (with the exception of any minutes containing recommendations);
- (v) That Executive recommendations will be identified and highlighted more clearly at Council meetings and voted on accordingly;
- (vi) That the current system of three Scrutiny Committees be retained.

The findings of the Governance Review Group were reported by the Corporate Manager Democratic & Civic Support to the Audit and Governance Committee on the 19th September 2018 and the recommendations were approved and are being implemented.

Accessibility and Inclusion

(To be reported to the People Scrutiny Committee: 1st November 2018)

This topic was raised as high priority topic for Task and Finish Group investigation at the Interim Scrutiny Programme Meeting in November 2017. Inclusivity and accessibility remain high on the agenda both at national and local level, in particular the Council's commitment to providing a well run Council with effective, efficient, person centred services. The Equality Act 2010 sets the legislative background and requirements and the Council's Equality Policy was revised and subsequently approved by Corporate Services Scrutiny on the 28th June 2018. The adoption of this Policy further cements the Council's commitment to making information about services more widely available and accessible and making contacting the Council easier and more accessible to all customers.

The Policy Officer provided the Group with an overview as to the current position and key objectives were settled upon as follows:-

- (a) To review accessibility of the Council's website in relation to those with wide ranging disabilities;
- (b) To investigate whether the Council obtains feedback with regards to accessibility of services and whether that feedback is obtained in a uniform way across the Council;
- (c) To understand what the departmental offer is in terms of accessibility for those with a wide range of disabilities.

It was essential to focus the work of the Group, given the broad range of the topic and work already underway in relation to accessibility and safeguarding. As a result of this, the Group decided that it would be of benefit to focus on the four specific service areas of Housing Benefit, Housing Advice, Customer Access and Environmental Health. Initially, Service Leads from each were invited to join the Group to provide an overview of their particular service and answer specific questions so that there was a consistent structure from which to draw comparisons. It was clear that there is a lot of ongoing work in terms of services improving accessibility and that staff are going to great lengths to assist customers where they can. It is noticeable that there has been an increase in individuals presenting with mental health issues and low literacy skills.

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The second part of the Group's work was to concentrate upon engaging with service users to gain their views. A questionnaire survey was conducted with focussed questions as to how individuals choose to access Council services and information; how easy they thought this was together with any suggestions they might have for improvement. Assistance was provided by Living Options, the Learning Disability Partnership and a member of Exeter City Council's staff. The aim was to reach people with a wide range of disabilities, sending questionnaires not only via e-mail but also by post using specific formats. Generally the feedback suggests that the Council's overall accessibility rating is good in terms of communication and assistance. What was noticeable is the amount of people who choose to contact the Council by phone, either themselves or with the help of family or support workers, rather than on line.

The Task and Finish Group concluded that there are two prominent messages. Firstly, that the Council needs to better advertise its offer in respect of the support it can provide to access services and secondly, in a time of the ever increasing digital offer to customers, other forms of communication should not be overlooked or viewed as less important.

The Task and Finish Group's report, together with recommendations is due to be considered by the People Scrutiny Committee on the 1st November 2018.

4. **Outstanding Task and Finish Group Work**

Impacts upon the City

Considering what appears on other Local Authorities' Forward Plans and how that might impact the City. This will provide an opportunity to identify, isolate and prioritise various areas for further investigation, inviting engagement with other Authorities, stakeholders and external organisations, to ensure that the City Council is consulted on proposals which could affect the City. Topics such as Healthcare and Planning could be areas of particular interest.

The Evening Economy

Specifically concentrating upon the 5 pm to 7 pm period and use of City Council Parks (maximising use could help to reduce anti-social behaviour). Ideas such as later opening times for cafes, food markets and entertainers could maximise use and may help to reduce anti-social behaviour and should be relatively inexpensive and easy to deliver. It also presents an opportunity to understand if there is something that is preventing progress in certain areas and to identify what can realistically be achieved.

CCTV

To consider the service, cost, charges and merit in continuation.

Estimates, Fees and Charges

A general review to establish how the City Council deals with these and whether there are other aspects that should be considered.

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5. Profile of Scrutiny at Exeter City Council

The profile of Scrutiny at Exeter City Council has been raised at both local and national level as a result of:-

➤ Corporate Challenge Feedback Report (4-7 December 2017)

3.3 Organisational leadership and governance – “The council is making positive steps towards enhancing the scrutiny function. This includes significant success on pre-decision scrutiny – with all papers and decisions for cabinet going to scrutiny first. The People Scrutiny Committee, one of three scrutiny committees in the council conducted a review of Homelessness with Teignbridge District Council, which led to a joint Homeless Strategy and Action Plan”.

➤ The House of Commons Communities and Local Government Committee Inquiry into the effectiveness of local authority overview and scrutiny committees

The Scrutiny Programme Officer provided a submission to the Inquiry outlining how the City Council view an effective scrutiny process as a vital component of good governance and a key component to the practical and successful delivery of Exeter’s vision. The Inquiry provided the City Council with an opportunity to contribute to the wider picture, sharing what is happening in Exeter and ensuring the continued, positive evolution of scrutiny at both local and national level. The first report of session was published on the 11th December 2017.

A copy of the submission has previously appeared in the Scrutiny Bulletin and a further copy is available upon request.

➤ The MJ Local Government Achievement Awards

The Scrutiny Programme Officer provided a submission to the MJ Awards category for “Excellence in Scrutiny and Governance” which concentrated upon the work and achievements of the Homelessness Strategy Task and Finish Group - a joint initiative between Exeter City Council and Teignbridge District Council. The Task and Finish Group involved Councillors and Officers from both Local Authorities. This work provided a prime example of how an effective Scrutiny process can support two politically opposing Councils in achieving a common goal for the benefit of all.

A copy of the submission has previously appeared in the Scrutiny Bulletin and a further copy is available upon request.

➤ Association of Democratic Service Officers (ADSO) Awards 2018 Team of the Year

Exeter City Council’s Democratic Services Team entered the Awards and have been shortlisted alongside Tower Hamlets Council, Brent Council and Sutton Council. The next stage in the process is a conference video interview with the Team which will take place on Thursday 1st November. This will involve a brief presentation to bring to life the submission, followed by questions from the judges before a final decision is made.

ADSO commented that, “The standard of the submissions was particularly high this year and it was a very difficult decision not to shortlist others. Congratulations to all of the authorities listed and many thanks to all of the authorities who participated, it

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is appreciated..... it is really important that the quality work our members undertake is recognised. The awards provides us with the ideal opportunity to do that”.

➤ Scrutiny Training

Scrutiny training continues to be provided as part of induction training for Councillors each year. This is currently delivered by the Scrutiny Programme Officer, in addition to which external courses are also available to Councillors who wish to attend.

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REPORT TO **CORPORATE SCRUTINY COMMITTEE**
Date of Meeting: **22 NOVEMBER 2018**
Report of: **Chief Finance Officer**
Title: **2018/19 Budget Monitoring Report – Quarter 2**

Is this a Key Decision?

No

Is this an Executive or Council Function?

Council

1. What is the report about?

This report advises Members of any material differences, by management unit, between the 2018/19 approved budget and the current outturn forecast in respect of Corporate Scrutiny Committee.

2. Recommendations:

That Members of Corporate Scrutiny Committee assure themselves that satisfactory actions are being undertaken by Officers to address the key areas of budgetary pressure, as highlighted in this report.

3. Reasons for the recommendation:

Local authorities have a statutory duty to set and monitor their budgets during the year and to take any actions necessary because of potential overspending or potential shortfalls in income. Members are therefore presented with a quarterly financial update in respect of Corporate Scrutiny Committee and this is the first report for 2018-19.

4. What are the resource implications including non financial resources

The financial resources required to deliver Corporate Services during 2018-19 are set out in the body of this report.

5. Section 151 Officer comments:

There is a small underspend on the Committee at Quarter 2. Given the Council's overall financial position however, efforts still need to be made across the Council to maintain a strong financial discipline and to identify opportunities to manage in-year expenditure. The overall position is much improved from quarter 1, but still requires care to be taken

6. What are the legal aspects?

Part 2 of the Local Government Act 2003 provides the legislative framework for the process of setting and managing budgets. In particular, Section 28 of the 2003 Act requires local authorities to monitor their budgets during the financial year.

7. Monitoring Officer's comments:

This report rises no issues for the Monitoring Officer.

8. Report Details:

Budget Monitoring – Quarter 2

8.1 Key Variations from Budget

The current forecast suggests that net expenditure for this committee will reduce from the revised budget by a total of £24,500 after transfers to and from reserves, as detailed in Appendix 1. This

represents a favourable variation of 0.31% from the revised budget, which includes supplementary budgets of £587,590 already agreed by Council.

- 8.2 Members may wish to note that, because of the often-large sums involved in individual corporate transactions, many quarterly variances are simply 'administrative' and are naturally resolved in-year. Areas of genuine budgetary risk are addressed as explained in paragraph 10 below.
- 8.3 The significant variations (+/- £30,000) by management unit are:

Forecast Budget Variances by Management Unit:		
Budget Heading	Forecast Outturn Budget Variance at Quarter 1	Forecast Outturn Budget Variance at Quarter 2
	(Under)/Overspend	(Under)/Overspend
86A5 Democratic Representation	(£0)	(£35,000)
<p>Responsible Officer: Corporate Manager Democratic and Civic Support</p> <p>Members Allowances are expected to be £20,000 less than the budget due to some members undertaking more than one role whilst taking only one allowance.</p> <p>Income is being generated by sharing Member Services officers with Teignbridge District Council; this arrangement is expected to generate additional income of £15,000 in the current year.</p>		
83A5 Corporate Support	(£0)	(£35,000)
<p>Responsible Officer: Corporate Manager Democratic and Civic Support</p> <p>Postage costs are expected to be £20,000 less than the budget.</p> <p>£22,000 rental income will be generated from leasing part of the Civic Centre to the Police.</p> <p>The cost of utilities and other premises costs in the Civic Centre is expected to exceed the budget by £10,000</p>		

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

Corporate Committee contributes to 3 key purposes, as set out in the Corporate Plan; maintain the assets of our city, well run Council and customer access to help me with my housing and financial problem.

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

An action plan addressing the key areas of budgetary risks within Corporate will be included if and when they arise. Members are reminded of the general risk that, unless otherwise noted, the current outturn forecast expects Services to achieve and deliver the savings included in the budget set in February.

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

Authors: Sally Reeve and Adrian Rutter

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

None

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**CORPORATE SCRUTINY COMMITTEE
2018/19 BUDGET MONITORING REPORT**

ACTUAL TO DATE Q2			QUARTER 2		YEAR END FORECAST			
PROFILED BUDGET	ACTUAL TO DATE	VARIANCE TO DATE	CODE		APPROVED BUDGET	OUTTURN	OUTTURN VARIANCE	OUTTURN VARIANCE Q1
£	£	£			£	£	£	£
(2,048,003)	(2,088,994)	(40,991)	83A1	CORPORATE PROPERTY - ESTATES	(2,490,330)	(2,490,330)		(50,000)
(46,593)	(49,488)	(2,895)	83C4	PROPERTIES	(23,850)	(23,850)	0	0
954,240	946,095	(8,145)	83C5	CORPORATE PROPERTY - ASSETS	1,349,800	1,324,800	(25,000)	0
66,605	74,568	7,963	83C6	CORPORATE ENERGY TEAM	119,320	119,320	0	0
246,625	230,920	(15,705)	86A2	ELECTIONS & ELECTORAL REG	374,760	374,760	0	0
77,663	33,677	(43,986)	86A3	CORPORATE	(13,900)	(13,900)	0	0
68,080	81,345	13,265	86A4	CIVIC CEREMONIALS	208,700	226,200	17,500	0
328,888	311,789	(17,099)	86A5	DEMOCRATIC REPRESENTATION	647,540	612,540	(35,000)	0
972,783	962,629	(10,154)	86A6	GRANTS/CENT SUPP/CONSULTATION	1,566,300	1,586,300	20,000	0
684,580	651,827	(32,753)	86A7	UNAPPORTIONABLE OVERHEADS	1,507,310	1,507,310	0	0
276,941	233,788	(43,153)	86B1	FINANCIAL SERVICES	530,110	530,110	0	0
45,387	43,994	(1,393)	86B2	INTERNAL AUDIT	94,460	94,460	0	0
		0	86B3	HUMAN RESOURCES	625,690	625,690	0	0
		0	86B4	LEGAL SERVICES	202,790	218,790	16,000	0
441,995	396,213	(45,782)	86B5	CORPORATE SUPPORT	743,720	708,720	(35,000)	0
984,971	1,048,469	63,498	86B6	IT SERVICES	1,664,240	1,664,240	0	0
301,671	289,227	(12,444)	86B7	STRATEGIC MANAGEMENT	737,640	737,640	0	0
39,693	144,087	104,394	86B8	PROCUREMENT	81,230	98,230	17,000	0
3,395,526	3,310,146	(85,380)		NET EXPENDITURE	7,925,530	7,901,030	(24,500)	(50,000)

TRANSFERS TO / (FROM) EARMARKED RESERVES	
REVENUE CONTRIBUTION TO CAPITAL	
OUTTURN FOR THE YEAR AFTER MOVEMENTS TO/FROM RESERVES	7,901,030
REVISED BUDGETS	7,925,530
OUTTURN VARIANCE AFTER TRANSFERS TO/FROM RESERVES & CONTRIBUTIONS TO CAPITAL	(24,500)

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REPORT TO CORPORATE SERVICES SCRUTINY COMMITTEE

Date of Meeting: 22 November 2018

REPORT TO EXECUTIVE

Date of Meeting: 11 December 2018

REPORT TO COUNCIL

Date of Meeting: 18 December 2018

Report of: Chief Finance Officer

Title: OVERVIEW OF REVENUE BUDGET 2018/19

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 2018/19 financial year after six months and to seek approval for a supplementary budget.**

2. Recommendations:

- 2.1 It is recommended that Corporate Services Scrutiny Committee and the Executive note the report and Council notes and approves (where applicable):

The General Fund forecast financial position for the 2018/19 financial year;

The HRA forecast financial position for 2018/19 financial year;

The additional supplementary budget set out in 8.3.7;

The outstanding Sundry Debt position as at November 2018;

The creditors' payments performance.

3. Reasons for the recommendation:

- 3.1 To formally note the Council's projected financial position and to approve 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 A request for an additional supplementary budget of £481,600 has been included in the report. This is fully funded from Central Government Grant and therefore has no impact on the Council's financial position.
- 4.3 Following the requirement to improve the financial position at the end of quarter 1, the Strategic Management Board and their Service Leads have worked hard to reduce expenditure. The result is an improvement in the financial position of £412,000, which brings the projected balance to £3.015 million at the year end. This is a welcome improvement and maintains reserves above the minimum £3 million level, however, there is no room for further financial shocks and therefore continued financial discipline will be required.

5. Section 151 Officer comments:

- 5.1 The improvement in the financial position of the Council is welcome, however maintaining this position will require a discipline to identify ways of funding any unexpected financial pressures that may occur during the rest of the year. Early notification of any pressures is therefore essential.

6. What are the legal aspects?

- 6.1 Section 28 of the Local Government Act 2003 imposes a statutory duty on the Council to monitor during the financial year its expenditure and income against the budget calculations. If the monitoring establishes that the budgetary situation has deteriorated, the Council must take such action as it considers necessary to deal with the situation. This might include, for instance, action to reduce spending in the rest of the year, or to increase income, or to finance the shortfall from reserves.

7. Monitoring Officer's comments:

- 7.1 This report raises no issues for the Monitoring officer.

8. Report details:

8.1 Financial Summary

FUND	Planned Transfer (to) / from Working Balance	Budget Variance Over / (under)	Outturn Transfer 2018/19
	£	£	£
General Fund	2,005,710	(328,921)	1,676,789
HRA	4,097,145	(229,113)	3,868,032
Council own Build Houses	(16,630)	0	(16,630)

8.2 Housing Revenue Account (Appendix A)

8.2.1 The first quarter projection shows a small reduction in the amount to be taken from the working balance. The projected reduction is now £3,868,032 to leave the working balance at £6,344,212.

Movement	2018/19
Opening HRA Balance	£10,212,244
Deficit	(£3,868,032)
Projected balance at year end	£6,344,212

8.2.2 The key variances are as follows:

Management Unit	Over / (Underspend)
Housing Customers	(£62,000)
Officer Responsible: Housing Lead – Tenancy Services	
* (£27k) Forecast savings in employee costs due to vacant posts and reduced working hours of a Neighbourhood Housing Assistant.	
* (£30k) A £40k supplementary budget was approved for decanting tenants from flats to enable asbestos removal works to be undertaken. A saving is reported, as two flats have been set up to enable a rolling decant to take place in-line with planned works, rather than decanting all tenants simultaneously.	

Management Unit	Over / (Underspend)
Sundry Land Maintenance	(£65,000)
Officer Responsible: Housing Lead – Tenancy Services	
<p>* (£60k) Following the restructure of Public Realm, a new Tree Manager and Technical Officer (Trees) have been appointed and started in August. It is anticipated that slippage will occur in respect of works to HRA trees, whilst works are prioritised and access issues resolved.</p> <p>* (£5k) Savings are expected in respect of the Garden Assistance Scheme following lower inflationary rises in contract costs and a review of eligibility.</p>	
Repairs and Maintenance Programme	(£200,000)
Officer Responsible: Service Lead – Housing Assets	
<p>* (£200k) A new contractor for external painting and low maintenance works in respect of flats was appointed from 1 October. Slippage in the programme is forecast to reflect a transition period between the main contractors.</p>	
Rents	£100,000
<p>* A £70k reduction in rents relates to delays in letting the new units at Chester Long Court. It was anticipated that the units would be fully let during 2018/19, however lettings are now expected to commence at the end of the year. The final Building Control inspection highlighted additional fire safety works, which are planned to be completed in week commencing 5 November, reflecting the lead-in time for the required components.</p> <p>* A £30k reduction in rents relates to garages that have been cleared in Thornpark Rise, Bovemoors Lane and Anthony Road in readiness of the sites being sold to Exeter City Living Ltd, following Council approval of its formation and Year 1 business plan on 24 July 2018.</p>	
Capital Charges	£173,887
Officer Responsible: not applicable (statutory accounting charge)	
<p>* Depreciation charges are higher than budgeted due to a rise in the valuation of council dwellings.</p> <p>Depreciation is a real cost to the HRA as it represents the amount of money which needs to be set aside in the Major Repairs Reserve to provide for future capital works or to repay debt.</p>	

Management Unit	Over / (Underspend)
Housing Assets	(£145,000)
Officer Responsible: Service Lead – Housing Assets	
<p>* (£65k) savings in employee costs are expected due to various vacant posts within the Housing Assets team in the first few months of the year, including Service Lead – Housing Assets and two 18 month fixed term contract Fire Safety Implementation officers.</p> <p>* (£25k) Stock condition surveys will re-commence in November to supplement the extensive stock condition survey undertaken by consultants last year, in order to achieve 100% coverage. This work will continue into 2019/20, a saving is therefore reported this year reflecting the November start and will be factored into next year's estimates process.</p> <p>* (£48k) £8k per property was budgeted for the decant of tenants in ten LAINGS properties to facilitate a major demolish and re-build programme. Two properties have naturally become void since the budgets were approved resulting in a £16k saving. A further saving of £32k is reported reflecting the tenant decants planned to take place after April '19, which will be factored into next year's estimates process. Works are planned to start on site in November, starting on the empty properties and avoiding the need to decant tenants until early 2019.</p>	
Interest	(£70,000)
Officer Responsible: Housing Lead – Tenancy Services, Service Lead – Housing Assets, Service Lead Performance, Strategy & Resources	
<p>* Reflects additional interest receivable on HRA balances (Working Balance, Major Repairs Reserve and capital receipts). Combined forecast revenue and capital underspends in 2018-19 will result in higher than anticipated HRA balances.</p>	

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 no variance to the projected surplus at the end of the first quarter.

Movement	2018/19
Opening Council Own Build reserve	£256,943
Surplus	16,630
Projected balance at year end	£273,573

8.3 General Fund (Appendix B)

8.3.1 The Service Committees show projected overspends of £586,893 against a revised budget of £14,898,840. The main variances are:

8.3.2 **People Scrutiny Committee – (An underspend of £92,740)**

Management Unit	Over / (Underspend)
Housing Needs	(£72,240)
Responsible Officer: Interim System Lead, Housing Needs	
<p>The underspend on pay reflects the lead-in time for fully recruiting to the new Housing Needs structure approved by Executive in February 2018. Recruitment has been a significant challenge primarily due to it being scheduled alongside the implementation of the Homelessness Reduction Act (which went live in April 2018). Not only did this bring a significant additional burden of priority work, it triggered a market demand for experienced housing needs staff which impacted on recruitment nationally as well as in the South West area. Nevertheless it is anticipated that the service will have full recruitment by the end of quarter three and therefore this current underspend is a one-off in-year saving to the General Fund.</p>	

8.3.3 **Place Scrutiny Committee – (An overspend in total of £704,133)**

Management Unit	Over / (Underspend)
Public Realm Development Team	(£80,500)
Responsible Officer: Public and Green Space Manager	
<p>* Three posts have been deleted from this unit, leading to pay savings of £128,500. These savings have been used to help fund two tree officer posts in Parks and Green Spaces and three new posts in Waterways</p> <p>* Redundancy costs of £48,000 will be funded from the redundancy reserve.</p>	
Cleansing Chargeable Services	£50,000
Responsible Officer: Cleansing and Fleet Manager	
<p>As happened last year, income for Trade Refuse & Recycling is expected to be £100,000 (11%) below budget as local businesses look to reduce their own costs. The loss is reduced by £50,000 savings planned by the service, and commercialisation work will commence in-year.</p>	

Management Unit	Over / (Underspend)
Recycling	£135,000
<p>Responsible Officer: Cleansing and Fleet Manager</p> <p>Problems with the MRF and fluctuations in global markets continue to increase costs and reduce income, despite the best efforts of the service to mitigate their impacts. The aging MRF equipment is increasingly unable to meet current quality standards, which leads directly to higher costs. Executive considered an MRF investment plan presented in September and agreed to consider a full business case and benchmarking exercise; these will propose measures to reduce costs and increase the service's ability to extract value from the recyclable material delivered to the plant.</p>	
Parking Services	£63,000
<p>Responsible Officer: Community Safety and Enforcement Service Manager</p> <p>The estimate for National Non Domestic Rates (NNDR) for this service was £60,000 more than the actual costs. Additional costs of £30,000 arose as a result of the additional change in tariffs requiring new signage and other related costs and increased maintenance costs. An estimated £35,000 increased income from parking charges is expected to partially offset these additional costs.</p>	
Growth & Enterprise	(£30,000)
<p>Responsible Officer: Economy and Enterprise Manager</p> <p>In-year saving from deferring recruitment to 2 currently-vacant posts.</p>	
Planning Services	£413,990
<p>Responsible Officer: City Development Manager.</p> <ul style="list-style-type: none"> • Community Infrastructure Grants amounting to £282,000 have been paid; these will be funded from the Community Infrastructure Levy (CIL). • An additional officer has been seconded to deal with CIL work; the additional £23,000 cost arising will be funded from the CIL. • £160,000 has been contributed towards the Growth Team will be paid, for which there is no budget. £80,000 of this will be funded from New Homes Bonus. • Additional costs of approximately £60,000 are expected to arise from an ongoing Planning appeal • Additional consultancy costs of £26,000 are expected to arise to deal with the increased workload. • Fee income is expected to exceed the budget by £140,000 	

8.3.4 **Corporate Scrutiny Committee – (An underspend in total of £24,500)**

Management Unit	Over / (Underspend)
Democratic Representation	(£35,000)
<p>Responsible Officer: Corporate Manager Democratic and Civic Support</p> <p>Members Allowances are expected to be £20,000 less than the budget due to some members undertaking more than one role whilst taking only one allowance.</p> <p>Income is being generated by sharing Member Services officers with Teignbridge District Council; this arrangement is expected to generate additional income of £15,000 in the current year.</p>	
Corporate Support	(£35,000)
<p>Responsible Officer: Corporate Manager Democratic and Civic Support</p> <p>Postage costs are expected to be £20,000 less than the budget.</p> <p>£22,000 rental income will be generated from leasing part of the Civic Centre to the Police.</p> <p>The cost of utilities and other premises costs in the Civic Centre is expected to exceed the budget by £10,000</p>	

8.3.5 **Other Financial Variations**

Management Unit	Over / (Underspend)
Repayment of Debt	(£112,299)
<p>Responsible Officer: Chief Finance Officer</p> <p>A lower than forecast need to borrow has resulted in a reduced repayment of debt calculation.</p>	
Net Interest	(£240,000)
<p>Responsible Officer: Chief Finance Officer</p> <p>As with the repayment of debt, delays in the commencement of major capital schemes, mean that not only has the Council not borrowed yet, but also there is greater cash available to place. This has had the impact of generating addition interest received rather than the Council incurring interest charges.</p>	

8.3.6 General Fund Balance

In 2018/19 it is projected that there will be an overall net contribution from the General Fund Balance of £1,676,789. The minimum requirement for the General Fund working balance was approved by Council in February 2018 at £3 million and it is projected that the balance will be marginally above this level.

Movement	2018/19
Opening Balance	£4,692,404
Deficit	(1,676,789)
Projected balance at year end	£3,015,615

8.3.7 Supplementary Budgets

There is a requirement for one further supplementary budgets in 2018/19. The Council has been awarded a grant of £481,600 in respect of the Rough Sleeping Initiative from MHCLG. It is therefore proposed that a General Fund supplementary budget totalling £481,600 is approved in 2018/19, offset by income of £481,600 from the grant. The request is therefore cost neutral.

8.3.8 Expenditure on Consultants and Agency Staff

At the last meeting of Corporate Services Scrutiny Committee, Members requested information on the amount of expenditure incurred by the Council on agency workers and consultants. Appendices C and D set out the spend for 2017-18 and 2018-19 to date split between revenue and capital and detailed by Service.

In summary, the amounts spent are as follows:

	2017-18	2018-19 (to date)
	£	£
Consultancy		
Revenue	992,024.43	617,146.22
Capital	813,849.90	495,869.02
	<u>1,805,874.33</u>	<u>1,113,015.24</u>
Agency Workers		
Revenue	1,913,445.42	1,225,408.47

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 October.

Age of Debt	September 2017	March 2018	October 2018
Up to 29 days (current)	£1,266,865	£1,639,749	£843,953
30 days – 1 Year	£1,307,986	£1,238,393	£1,565,908
1 – 2 years	£588,743	£787,163	£948,849
2 –3 years	£816,633	£661,047	£379,750
3 – 4 years	£275,278	£368,184	£613,242
4 – 5 years	£282,922	£259,997	£229,027
5 + years	£358,570	£415,760	£548,338
Total	£4,896,997	£5,370,293	£5,129,067

8.5 DEBT WRITE-OFFS

8.5.1 The following amounts have been written-off during 2018/19:

	2017/18 total	2018/19 (Qtr 2)
• Council Tax	£316,198	£270,845
• Business Rates		
• Sundry Debt	£216,428	£0
• Housing Rents	£131,163	£1,219
• Non-HRA Rents	£149,210	£29,441
	£201,413	£87,972

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 96.53% FOR THE FIRST HALF OF 2018/19 COMPARED WITH 91.76% FOR 2017/18.**

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 2018/19.

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. Members have a legal responsibility to take action where balances are projected to reach an unsustainable level and the Strategic Management Board are working to address the current projected shortfall in reserves..

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

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)

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GENERAL FUND
2018/19 REVENUE ESTIMATES - SUMMARY
as at 30 September 2018

	Annual Budget	Supplementary Budgets	Revised Annual Budget	Year End Forecast	Variance to Budget
	£	£	£	£	£
SCRUTINY - PEOPLE	2,935,040	579,400	3,514,440	3,421,700	(92,740)
SCRUTINY - PLACE	9,366,030	815,220	10,181,250	10,885,383	704,133
SCRUTINY - CORPORATE	7,396,760	528,770	7,925,530	7,901,030	(24,500)
less Notional capital charges	(6,722,380)		(6,722,380)	(6,722,380)	0
Service Committee Net Expenditure	12,975,450	1,923,390	14,898,840	15,485,733	586,893
Net Interest	100,000		100,000	(140,000)	(240,000)
New Homes Bonus	(2,590,900)		(2,590,900)	(2,590,900)	0
Revenue Contribution to Capital	150,000		150,000	150,000	0
Minimum Revenue Provision	720,160		720,160	607,861	(112,299)
Voluntary Revenue Provision	1,000,000		1,000,000	1,000,000	0
General Fund Expenditure	12,354,710	1,923,390	14,278,100	14,512,694	234,594
Transfer To/(From) Working Balance	(82,320)	(1,923,390)	(2,005,710)	(1,676,789)	328,921
Transfer To/(From) Earmarked Reserves	(428,000)		(428,000)	(1,724,561)	(1,296,561)
General Fund Net Expenditure	11,844,390	0	11,844,390	11,111,344	(733,046)
Formula Grant	(4,841,660)		(4,841,660)	(4,841,660)	0
Business Rates Growth / Pooling Gain	(1,379,000)		(1,379,000)	(311,104)	1,067,896
CIL Income	0		0	(334,850)	(334,850)
Council Tax	(5,623,730)		(5,623,730)	(5,623,730)	0
	0	0	0	0	0

Working Balance **March 2017** **£** **4,692,404** **£** **3,015,615** **March 2018**

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APPENDIX C

EXPENDITURE ON CONSULTANCY

	2017-18	2018-19
Revenue Expenditure		
AFFORDABLE HOUSING DEVELOPMENT	157,792.31	72,236.50
ARCHAEOLOGICAL FIELD UNIT	1,628.75	5,850.00
BUILDING CONTROL	379.69	0.00
CONTRACTED SPORTS FACILITIES	32,940.45	1,174.00
CORPORATE	38,965.23	6,527.18
CORPORATE PROPERTY - ENERGY	0.00	700.00
CORPORATE PROPERTY - ESTATES	32,302.99	30,619.20
ECONOMIC DEVELOPMENT	27,734.06	0.00
ENVIRONMENTAL PROTECTION	9,257.50	0.00
EXETER CITY LIVING LTD	0.00	12,644.50
EXTON ROAD OVERHEADS AND FLEET	600.00	8,250.00
FINANCIAL SERVICES	5,040.50	4,903.07
GRANTS/CENT SUPP/CONSULTATION	44,477.99	82,074.88
HOUSING ASSETS	9,069.75	3,599.63
HOUSING CUSTOMERS	31,594.02	5,158.00
HOUSING NEEDS	17,545.17	0.00
HUMAN RESOURCES	0.00	3,640.50
LICENCING,FOOD,HEALTH & SAFETY	2,044.60	400.50
MAJOR PROJECTS	35,837.60	13,524.20
MANAGEMENT	38,466.53	6,040.45
MUSEUM SERVICE	219,947.00	131,135.03
PARKING SERVICES	0.00	162.00
PARKS & GREEN SPACES	5,416.00	324.00
PHYSICAL ACTIVITY DEVELOPMENT	0.00	600.00
PLANNING SERVICES	66,132.16	73,248.11
PRIVATE SECTOR HOUSING	28,860.00	147.96
PROCUREMENT	5,520.00	21,854.08
RECYCLING	0.00	175.32
REPAIR & MAINTENANCE PROGRAMME	0.00	4,500.00
REVENUE COLLECTION/BENEFITS	67,911.85	79,245.00
STRATA	579.16	1,500.00
STRATEGIC MANAGEMENT	110,476.12	46,737.11
TOURIST INFORMATION	1,505.00	175.00
	992,024.43	617,146.22
Capital Expenditure		
LEISURE COMPLEX - BUILD	623,503.02	207,355.00
RAMM ROOF	4,128.70	865.16
BUS STATION CONSTRUCTION	25,733.03	144,158.10
RAMM WORLD CULTURE GALLERIES	35,818.42	0.00
ST LOYES EXTRACARE SCHEME	0.00	1,800.00
HEAVITREE (COB WAVE III)	48,247.96	11,843.00
ST DAVID'S (SOUTH STREET)	76,418.77	129,847.76
	813,849.90	495,869.02
Total Expenditure on Consultants	1,805,874.33	1,113,015.24

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APPENDIX D

EXPENDITURE ON AGENCY WORKERS

	2017-18	2018-19
Revenue Expenditure		
AFFORDABLE HOUSING DEVELOPMENT	59,886.55	13,383.50
BUILDING CONTROL	29,180.41	12,049.00
CEMETERIES OPERATIONAL	49,004.84	13,024.51
CLEANSING CHARGEABLE SERVICES	67,301.07	41,751.50
DOMESTIC REFUSE COLLECTION	128,706.39	86,023.64
ECONOMIC DEVELOPMENT	0.00	58,018.31
ELECTIONS & ELECTORAL REG	2,070.00	0.00
ENVIRONMENTAL PROTECTION	23,206.14	0.00
EXTON ROAD OVERHEADS AND FLEET	905.58	530.00
FINANCIAL SERVICES	0.00	46,836.98
HOUSING ASSETS	319,046.49	126,501.79
HOUSING CUSTOMERS	7,747.52	0.00
HOUSING NEEDS	141,591.72	144,069.05
HUMAN RESOURCES	2,952.73	36,601.00
LEGAL SERVICES	13,839.98	0.00
LICENCING,FOOD,HEALTH & SAFETY	4,814.09	0.00
MANAGEMENT	0.00	1,246.97
MUSEUM SERVICE	2,139.45	0.00
PARKING SERVICES	11,916.02	0.00
PARKS & GREEN SPACES	194,398.03	87,457.50
PLANNING SERVICES	36,409.34	16,927.21
PRIVATE SECTOR HOUSING	811.33	14,415.61
PROCUREMENT	127,772.00	18,863.53
PUBLIC CONVENIENCES	81,951.28	47,296.14
RECYCLING	122,566.30	77,252.84
REVENUE COLLECTION/BENEFITS	141,525.36	147,076.56
STREET CLEANING	337,671.28	258,691.75
WATERWAYS	6,031.52	7,391.08
Total Expenditure on Agency Workers	1,913,445.42	1,255,408.47

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REPORT TO CORPORATE SERVICES SCRUTINY COMMITTEE,
EXECUTIVE AND COUNCIL

Date of Meeting: Corporate Services Scrutiny - 22 November 2018
Executive - 11 December 2018
Council - 18 December 2018

Report of: Chief Finance Officer

Title: 2018/19 Capital Monitoring Statement - Quarter 2

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 8.1, 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:

There are no additional requests for funding for Council to consider. In terms of deferrals, a number of scheme have been re-profiled and close to £2.9 million of projects are being proposed for deferral to future years. Members should ensure that they are satisfied with the reasons for deferral.

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:

2018/19 CAPITAL MONITORING STATEMENT – QUARTER 2

8.1 REVISIONS TO THE CAPITAL PROGRAMME

The 2018/19 Capital Programme, including commitments brought forward from 2017/18, was last reported to Corporate Services Scrutiny Committee on 27 September 2018. Since that meeting the following changes have been made to the programme:

Description	£	Approval/Funding
Capital Programme, as reported to Corporate Services Scrutiny Committee, 27 September 2018	39,498,420	
Budget Deferred to 2019/20 & Beyond at Quarter 1	(7,171,960)	Approved by Council 16 October 2018
Overspends/(Underspends) reported at Quarter 1	(652,720)	
Outdoor Leisure Facilities (Arena Skatepark)	128,700	Additional S106 funding
Revised Capital Programme	31,802,440	

8.2 PERFORMANCE

The revised capital programme for the current financial year is £31.802 million. During the first six months of the year the Council spent £4.164 million on the programme, which equates to 13.09% of the revised programme. This compares with £4.134 million (17.3%) being spent in the first six months of 2017/18.

The current programme is detailed in Appendix 1. The Appendix shows a total forecast spend for 2018/19 of £28.896 million with £3.180 million of the programme potentially being deferred to 2019/20 and beyond and £0.239 million being brought forward from future years.

Appendix 2 shows the approved budgets for 2019/20 with the proposed 2018/19 budget to be carried forward to 2019/20 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 2018/19 are £9.889 million. An estimated spend of £14.025 million is required of which £10.390 million will be funded from borrowing with £6.254 million capital receipts carried forward to 2019/20. The available capital resources for the HRA for 2018/19 are £33.847 million. An estimated spend of £14.871 million is required leaving £18.976 million to be carried forward into 2019/20. 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 2018/19 to date in respect of the General Fund and the HRA are:

	General Fund £	HRA £
Balance as at 1 April 2018	6,306,833	7,704,749
New Receipts to 30 September	87,500	1,384,242
Balance as at 30 September 2018	6,394,333	9,088,991

8.4 EXPENDITURE VARIANCES

The main variances and issues concerning expenditure in 2018/19 are:

Scheme	Estimated Overspend / (Underspend) £	Reason
Topsham Lock	50,000	The initial stabilising solution failed. A separate report will be presented to the Executive on 11 December.
Adaptations	(50,000)	Based on current levels of referrals it is anticipated that an under-spend may occur.
Zebcat Project	(30,000)	A saving is reported in-line with recent tender returns. The Council is undertaking a net zero energy whole building retrofit to six homes, as part of a project with five other delivery partners.
COB Wave 2 – Rennes Car Park	73,365	An overspend is forecast in respect of additional fire safety works identified as part of the final building control inspection.

8.5 SCHEMES TO BE DEFERRED TO 2019/20 AND BEYOND

Schemes which have been identified as being wholly or partly deferred to 2019/20 and beyond are:

Scheme	18/19 Budget £	Budget to be Deferred £	Reason
Repair Canal Bank at M5	29,090	25,990	Delays in receiving various consents within Site of Special Scientific Interest.
Bowling Green Marshes Coastal Defence Scheme	28,900	28,900	To cover initial costs should the Environment Agency schemes proceed.
Exeter Flood Alleviation Scheme	200,000	200,000	
Replacement of Mallison Bridge	350,000	300,000	Delays due to the planning process and the additional design work required as scope of the scheme has expanded (with external funding) and the project will take longer than anticipated to complete.
Purchase of Harbour Patrol Vessel for Exe Estuary	50,000	50,000	Purchase of boat to be within wider Council vehicle replacement programme tender in February 2019.
City Wide Property Level Protection	94,400	30,000	To overcome listed building issues.
Outdoor Leisure Facilities	425,530	80,000	Long term sickness absence of the officer best placed to deliver these schemes.
Leisure Complex	1,399,200	(141,610)	Budgets re-profiled in-line with anticipated expenditure.
Bus Station Construction	265,200	(97,180)	
Programmed Re-roofing	280,590	180,000	A major programme of re-roofing is pending the outcomes of the additional stock condition surveys that are due to start in November, so that planned works can be based on 100% condition data.
Energy Conservation	100,000	50,000	Further commitments against this budget are pending the outcomes of the net zero energy building retrofit demonstrations.
Balcony Walkway Improvements	210,000	100,000	These works form part of a wider low maintenance contract awarded from 1 October. The budgets have been re-profiled to reflect the mid-year start on

Communal Door and Screens	331,000	100,000	site, following completion of the tender process.
Rennes House Structural Works	350,000	140,000	A 10 month contract has been awarded in respect of the lift improvements at Rennes House, running from October '18 to July '19. The budget has been re-profiled accordingly.
Common Area Footpath/Wall Improvements	350,000	100,000	Inspections of HRA footpaths and walls are being undertaken in order to inform a planned programme of improvement works with the budget re-profiled to allow for any identified health and safety works in the current financial year.
Fire Safety Storage Facilities	150,000	90,000	The two Fire Safety Implementation Officers were appointed in August '18. The provision of new storage facilities will be co-ordinated by the officers and the budget has been re-profiled to reflect their mid-year start.
Fire Risk Assessment Works	476,810	150,000	Slippage of £150K to 2019/20 due to the appointment of a new Fire Risk Assessment Contractor not commencing until 1st November 2018. Additionally, industry guidance on the technical specification for composite fire doors was only released in September 2018 so the associated works to complete the installation programme has been delayed.
St Loyes Extra Care Scheme	5,100,000	1,500,000	The budget has been re-profiled in line with the latest cash-flow projections from external consultants. The projected spend for 2018/19 is less than their last assessment, due to an extended pre-construction phase to allow a value engineering process and some limited re-design work to be completed.

8.6 Achievements

- **Cowick Barton Tennis Courts**

Three tennis courts at Cowick Barton Playing Fields have been refurbished to provide enhanced (and free) facilities to further encourage active lifestyles. The previously tired, grey and crumbling courts have been transformed with a far more suitable surface in pleasing shades of green. The courts provide a great opportunity for tennis players of all ages and abilities to either take up the sport or improve their game.

- **Guildhall Fire Alarms**

The scheme to ensure the historically significant asset and users of the facility are effectively protected has been completed.

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

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2018/19 CAPITAL MONITORING - QUARTER 2

Responsible Officer	Scheme	2018/19 Capital Programme	2018/19 Spend to Date	2018/19 Forecast Spend	2018/19 Budget to be Carried Forward to 2019/20 and Beyond	2018/19 Programme Variances (Under)/Over
		£	£	£	£	£
PEOPLE						
	HELP ME FIND SOMEWHERE TO LIVE					
Environmental Health & Licensing Manager	Disabled Facility Grants	701,180	99,754	701,180		
Environmental Health & Licensing Manager	Warm Up Exeter/PLEA Scheme	100,000	36,565	100,000		
Environmental Health & Licensing Manager	Wessex Loan Scheme	79,030	38,051	79,030		
Housing Development Officer	WHIL Empty Properties	194,000	0	194,000		
System Lead, Housing Needs	Temporary Accommodation Purchase	108,670	276	108,670		
PEOPLE TOTAL		1,182,880	174,646	1,182,880	0	0
PLACE						
	WELL RUN COUNCIL					
Fleet Manager/SMB	Vehicle Replacement Programme	442,500	44,207	442,500		
Cleansing & Fleet Manager	MRF Air Compressor	7,840	0	0		(7,840)
Service Manager, Community Safety & Enforcement	Car Park Resurfacing, Lining & Boundary Improvements	50,000	0	50,000		
Interim Public & Green Space Manager	Mechanisation of Street Scene	150,000	0	150,000		
Cleansing & Fleet Manager	Waste Infrastructure	16,700	0	16,700		
	IMPROVE THE ENVIRONMENT AND MY NEIGHBOURHOOD					
Commercial Operations Manager, Public Realm	Repair Canal Bank at M5	29,090	3,100	3,100	25,990	
Principal Project Manager (Place Making)	Queen's Crescent CPO	18,000	0	18,000		
Commercial Operations Manager, Public Realm	Kings Arms Bridge	399,630	34,883	384,630	15,000	
Commercial Operations Manager, Public Realm	Bowling Green Marshes Coastal Defence Scheme	28,900	0	0	28,900	
Commercial Operations Manager, Public Realm	Exeter Flood Alleviation Scheme	200,000	0	0	200,000	
Interim Public & Green Space Manager	Exwick Cemetery Ashes Section	32,420	30,404	30,404		(2,016)
Service Manager, Community Safety & Enforcement	Replacement of Mallison Bridge (Exeter Quay)	350,000	17,398	50,000	300,000	
Interim Public & Green Space Manager	Parks Infrastructure	150,000	23,844	150,000		
Interim Public & Green Space Manager	Cemeteries & Churchyards Infrastructure Improvements	60,000	0	60,000		
Service Manager, Community Safety & Enforcement	Purchase of Harbour Patrol Vessel for Exe Estuary	50,000	0	0	50,000	
Service Manager, Community Safety & Enforcement	Improved Car Park Security Measures at King William Street & Arena Park	45,000	0	45,000		
Service Manager, Community Safety & Enforcement	Repairs to Turf Lock Pier Head	20,000	0	20,000		
Service Manager, Community Safety & Enforcement	Repairs to Salmonpool Bridge	45,000	0	45,000		
Service Manager, Community Safety & Enforcement	Repair to Walls at Farm Hill	30,000	0	30,000		
Service Manager, Community Safety & Enforcement	Bank Repairs & Stabilisation to Watercourses	20,000	17,972	23,000		3,000
City Surveyor	Matford Centre Fire Alarm Replacement	100,000	0	100,000		
	KEEP ME/MY ENVIRONMENT SAFE & HEALTHY					
Commercial Operations Manager, Public Realm	Car Park Surfacing - Haven Road	12,350	0	12,350		
City Surveyor	Replace Lifts at Mary Arches MSCP	240,000	0	240,000		
Commercial Operations Manager, Public Realm	City Wide Property Level Protection	94,400	12,714	64,400	30,000	
Environmental Health & Licensing Manager	RAMM Air Monitoring Equipment	89,560	256	89,560		
Commercial Operations Manager, Public Realm	Topsham Lock	180,000	8,752	230,000		50,000

Responsible Officer	Scheme	2018/19 Capital	2018/19 Spend to	2018/19 Forecast	2018/19 Budget	2018/19
		Programme	Date	Spend	to be Carried	Programme
		£	£	£	Forward to	Variations
					2019/20 and	(Under)/Over
					Beyond	
		£	£	£	£	£
	PROVIDE GREAT THINGS FOR ME TO SEE & DO					
Commercial Operations Manager, Public Realm	Outdoor Leisure Facilities	425,530	25,046	345,530	80,000	
City Surveyor	Sports Facilities Refurbishment	146,430	106,571	146,430		
City Surveyor	Passenger Lift at RAMM	73,880	0	73,880		
City Surveyor	St Nicholas Priory	39,920	6,682	39,920		
RAMM, Operational Services Lead	RAMM World Culture Galleries	160,440	82,128	160,440		
Interim Public & Green Space Manager	Cowick Barton Tennis Courts	35,000	33,434	33,434		(1,566)
Director	Newtown Community Association - Belmont Park Community Building	150,000	0	150,000		
Director	Belmont Park Enhanced Facilities	50,000	0	50,000		
	MAINTAIN THE ASSETS OF OUR CITY					
City Surveyor	RAMM Roof Access Improvement	58,520	952	58,520		
City Surveyor	Pyramids Essential Works	950,000	794,360	950,000		
City Surveyor	Leisure Centre Essential Enhancements	2,000,000	0	2,000,000		
City Surveyor	Leisure Centre Additional Enhancements	880,000	0	880,000		
City Surveyor	Livestock Market Drainage & Toilets	200,000	0	200,000		
	DELIVER GOOD DEVELOPMENT					
Chief Executive & Growth Director	Leisure Complex - Build Project	1,399,200	250,846	1,540,810	(141,610)	
Chief Executive & Growth Director	Bus Station Construction	265,200	74,884	362,380	(97,180)	
Director	Pinhoe Community Hub	90,000	0	90,000		
Director	Newtown Community Centre (S106)	75,090	6,100	75,090		
Director	Newtown Community Centre (1st Grant)	50,000	0	50,000		
Director	Newtown Community Centre (2nd Grant)	43,410	0	43,410		
City Surveyor	Beacon Heath Martial Arts & Boxing Club - New Roof	14,650	0	14,650		
	PLACE TOTAL	9,968,660	1,574,533	9,519,138	491,100	41,578
	CORPORATE SERVICES					
	WELL RUN COUNCIL					
SMB	Invest to Save Opportunities	29,550	0	29,550		
City Surveyor	Guildhall Fire Alarms	50,000	38,046	50,000		
City Surveyor	Energy Saving Projects	2,011,870	3,790	2,011,870		
Interim Public & Green Space Manager	Belle Isle Temporary Facilities	103,330	58,844	103,330		
Director	Council Signage Improvement	40,000	0	40,000		
Corporate Manager, Democratic & Civic Support	Electoral Registration - Mobile Canvassing	20,000	0	20,000		
City Surveyor	Building Management System (BMS)	80,000	0	80,000		
City Surveyor	Civic Centre Air Conditioning Replacement	150,000	0	150,000		
City Surveyor	Civic Centre Kitchens Replacement	90,000	0	90,000		
SMB	Customer Contact Platform	155,490	0	155,490		
SMB	Annual Contribution to Strata	53,900	53,904	53,900		
SMB	Idox System for Planning	104,300	0	104,300		
SMB	HR System	39,940	0	39,940		
SMB	Convergence Projects	294,660	0	294,660		
SMB	Capitalised Staff Costs	100,000	0	100,000		
	CORPORATE SERVICES TOTAL	3,323,040	154,584	3,323,040	0	0

Responsible Officer	Scheme	2018/19 Capital	2018/19 Spend to	2018/19 Forecast	2018/19 Budget	2018/19
		Programme	Date	Spend	to be Carried	Programme
		£	£	£	Forward to	Variations
					2019/20 and	(Under)/Over
					Beyond	
					£	£
HRA						
	INVESTMENT IN EXISTING STOCK					
Reactive Repairs Lead	Adaptations	420,975	131,176	370,975		(50,000)
Housing Lead - Tenancy Services	Estate Improvements	68,395	5,231	68,395		
Planned Works Lead	Programmed Re-roofing	280,590	0	100,590	180,000	
Planned Works Lead	Energy Conservation	100,000	0	50,000	50,000	
Planned Works Lead	Garage Upgrades	74,000	0	74,000		
Planned Works Lead	LAININGS Refurbishments	1,936,000	16,179	1,936,000		
Reactive Repairs Lead	Kitchen Replacement Programme	1,059,950	441,034	1,059,950		
Planned Works Lead	Balcony Walkway Improvements	210,000	0	110,000	100,000	
Planned Works Lead	Bathroom Replacement Programme	693,760	299,224	693,760		
Planned Works Lead	Door Replacements (including Outbuildings)	122,000	0	122,000		
Health, Safety & Compliance Lead	Fire Precautionary Works to Flats	28,530	11,384	28,530		
Planned Works Lead	Communal Area Improvements	97,890	0	97,890		
Planned Works Lead	Structural Repairs	294,280	1,364	294,280		
Planned Works Lead	Rennes House Structural Works	350,000	0	210,000	140,000	
Health, Safety & Compliance Lead	Common Area Footpaths/Wall Improvements	350,000	0	250,000	100,000	
Planned Works Lead	Soil Vent Pipe Replacement	77,530	0	37,530	40,000	
Planned Works Lead	Electrical Central Heating	36,940	6,591	36,940		
Health, Safety & Compliance Lead	Fire Safety Storage Facilities	150,000	0	60,000	90,000	
Health, Safety & Compliance Lead	Electrical Re-wiring	550,250	134,946	550,250		
Health, Safety & Compliance Lead	Central Heating and Boiler Replacement Programme	560,000	112,300	560,000		
Planned Works Lead	Communal Doors and Screens	331,000	0	231,000	100,000	
Health, Safety & Compliance Lead	Fire Risk Assessment Works	476,810	6,439	326,810	150,000	
Planned Works Lead	Loft & Cavity Insulation	50,000	0	50,000		
Planned Works Lead	Whipton Barton House Water Mains	50,000	0	50,000		
Planned Works Lead	Re-roofing Works Shilhay	164,800	147,109	164,800		
Planned Works Lead	Window Replacements	954,300	0	954,300		
Housing Lead - Tenancy Services	Replacement Housing Management System	175,100	175,096	175,100		
Planned Works Lead	Porch Canopies	102,000	0	102,000		
Planned Works Lead	ZEBCat Project	480,000	1,800	450,000		(30,000)
	PROVISION OF NEW COUNCIL HOMES					
Service Lead Housing Assets	Social Housing Acquisitions - Open Market	855,000	328,937	855,000		
Service Lead Housing Assets	Social Housing Acquisitions - Section 106	100,000	370	100,000		
Service Lead Housing Assets	COB Wave 2 - Rennes Car Park	271,500	209,099	344,865		73,365
Service Lead Housing Assets	St Loyes Extracare Scheme	5,100,000	2,004	3,600,000	1,500,000	
Service Lead Housing Assets	Estate Regeneration - Heavitree (COB Wave III)	59,860	61,611	61,611		1,751
Service Lead Housing Assets	Estate Regeneration - Heavitree (Clifford Close)	141,950	305	141,950		
Service Lead Housing Assets	Estate Regeneration - Heavitree (Vaughan Road)	321,320	14,715	321,320		
Service Lead Housing Assets	Estate Regeneration - Heavitree (South Street)	233,130	153,053	231,379		(1,751)
HRA TOTAL		17,327,860	2,259,967	14,871,225	2,450,000	(6,635)
TOTAL CAPITAL BUDGET		31,802,440	4,163,730	28,896,283	2,941,100	34,943

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BUDGETS CARRIED FORWARD TO 2019/20 AND BEYOND

	2019/20 Budget as per Budget Book/Council Approvals	Budget to be Carried Forward to 2019/20 and Beyond at Qtr 1	Proposed Budget to be Carried Forward to 2019/20 and Beyond at Qtr 2	Budget Reprofiled to Future Years	Total 2019/20 Capital Programme	2020/21 Budget as per Budget Book/Council Approvals
	£	£	£	£	£	£
PEOPLE						
HELP ME FIND SOMEWHERE TO LIVE						
Disabled Facility Grants	450,000	0	0	0	450,000	450,000
PEOPLE TOTAL	450,000	0	0		450,000	450,000
PLACE						
WELL RUN COUNCIL						
Vehicle Replacement Programme	400,000	0	0	0	400,000	400,000
Car Park Resurfacing, Lining & Boundary Improvements	200,000	0	0	0	200,000	0
Waste Infrastructure	163,000	0	0	0	163,000	144,000
IMPROVE THE ENVIRONMENT AND MY NEIGHBOURHOOD						
Repair Canal Bank at M5	0	0	25,990	0	25,990	0
Kings Arms Bridge	0	0	15,000	0	15,000	0
Bowling Green Marshes Coastal Defence Scheme	0	0	28,900	0	28,900	0
Exeter Flood Alleviation Scheme	0	0	200,000	0	200,000	0
Replacement of Mallison Bridge (Exeter Quay)	0	0	300,000	0	300,000	0
Parks Infrastructure	250,000	0	0	0	250,000	100,000
Cemeteries & Churchyards Infrastructure Improvements	80,000	0	0	0	80,000	20,000
Purchase of Harbour Patrol Vessel for Exe Estuary	0	0	50,000	0	50,000	0
Repairs to Turf Lock Pier Head	100,000	0	0	0	100,000	0
Repair to Walls at Farm Hill	60,000	0	0	0	60,000	0
Bank Repairs & Stabilisation to Watercourses	20,000	0	0	0	20,000	20,000
KEEP ME/MY ENVIRONMENT SAFE & HEALTHY						
City Wide Property Level Protection	0	0	30,000	0	30,000	0
PROVIDE GREAT THINGS FOR ME TO SEE & DO						
Outdoor Leisure Facilities	0	0	80,000	0	80,000	0
Sports Facilities Refurbishment	56,430	0	0	0	56,430	0

BUDGETS CARRIED FORWARD TO 2019/20 AND BEYOND

	2019/20 Budget as per Budget Book/Council Approvals	Budget to be Carried Forward to 2019/20 and Beyond at Qtr 1	Proposed Budget to be Carried Forward to 2019/20 and Beyond at Qtr 2	Budget Reprofiled to Future Years	Total 2019/20 Capital Programme	2020/21 Budget as per Budget Book/Council Approvals
	£	£	£	£	£	£
DELIVER GOOD DEVELOPMENT						
Leisure Complex - Build Project	16,831,010	2,647,330	(141,610)	(5,199,430)	14,137,300	12,167,690
Bus Station Construction	2,319,980	2,986,550	(97,180)	(3,000,920)	2,208,430	3,000,920
PLACE TOTAL	20,480,420	5,633,880	491,100	(8,200,350)	18,405,050	15,852,610
CORPORATE SERVICES						
WELL RUN COUNCIL						
Council Signage Improvement	40,000	0	0	0	40,000	40,000
Annual Contribution to Strata	53,900	0	0	0	53,900	53,900
Capitalised Staff Costs	100,000	0	0	0	100,000	100,000
CORPORATE SERVICES TOTAL	193,900	0	0	0	193,900	193,900
HRA						
INVESTMENT IN EXISTING STOCK						
Adaptations	517,500	75,000	0	0	592,500	535,610
Estate Improvements	207,000	0	0	0	207,000	214,250
Programmed Re-roofing	186,100	0	180,000	0	366,100	314,140
Energy Conservation	0	0	50,000	0	50,000	0
Garage Upgrades	64,260	0	0	0	64,260	66,510
LAINGS Refurbishments	1,298,580	0	0	0	1,298,580	0
Kitchen Replacement Programme	1,347,250	0	0	0	1,347,250	2,020,880
Balcony Walkway Improvements	105,000	0	100,000	0	205,000	108,670
Bathroom Replacement Programme	883,220	0	0	0	883,220	1,324,840
Door Replacements (including Outbuildings)	143,940	0	0	0	143,940	231,000
Communal Area Improvements	103,190	0	0	0	103,190	79,930
Structural Repairs	155,250	0	0	0	155,250	160,680
Rennes House Structural Works	3,495,275	1,850,000	140,000	0	5,485,275	0
Common Area Footpaths/Wall Improvements	94,050	0	100,000	0	194,050	95,800
Soil Vent Pipe Replacement	63,950	0	40,000	0	103,950	27,000
Electrical Central Heating	19,900	0	0	0	19,900	21,890
Fire Safety Policy Storage	0	0	90,000	0	90,000	0
Electrical Re-wiring	756,140	0	0	0	756,140	566,300
Boiler Replacement Programme	575,000	0	0	0	575,000	590,500

BUDGETS CARRIED FORWARD TO 2019/20 AND BEYOND

	2019/20 Budget as per Budget Book/Council Approvals	Budget to be Carried Forward to 2019/20 and Beyond at Qtr 1	Proposed Budget to be Carried Forward to 2019/20 and Beyond at Qtr 2	Budget Reprofiled to Future Years	Total 2019/20 Capital Programme	2020/21 Budget as per Budget Book/Council Approvals
	£	£	£	£	£	£
Communal Doors and Screens	246,320	0	100,000	0	346,320	254,940
Fire Risk Assessment Works	65,200	0	150,000	0	215,200	67,480
Loft & Cavity Insulation	51,750	0	0	0	51,750	53,560
Window Replacements	733,090	0	0	0	733,090	758,750
Porch Canopies	90,480	0	0	0	90,480	55,810
<i>PROVISION OF NEW COUNCIL HOMES</i>						
Social Housing Acquisitions - Section 106	250,000	390,000	0	0	640,000	250,000
St Loyes Extracare Scheme	5,360,000	(776,920)	1,500,000	0	6,083,080	156,360
HRA TOTAL	16,812,445	1,538,080	2,450,000	0	20,800,525	7,954,900
TOTAL CAPITAL BUDGET	37,936,765	7,171,960	2,941,100	(8,200,350)	39,849,475	24,451,410

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CAPITAL SCHEMES SPANNING MORE THAN ONE FINANCIAL YEAR

	Total Capital Budget	Total Spend to Date	2018/19 Programme Variances (Under)/Over
	£	£	£
PEOPLE			
HELP ME FIND SOMEWHERE TO LIVE			
Temporary Accommodation Purchase	584,950	476,560	0
PEOPLE TOTAL	584,950	476,560	0
PLACE			
WELL RUN COUNCIL			
MRF Air Compressor	13,300	5,460	(7,840)
IMPROVE THE ENVIRONMENT AND MY NEIGHBOURHOOD			
Repair Canal Bank at M5	64,520	38,531	0
Kings Arms Bridge	410,000	45,253	0
Exwick Cemetery Ashes Section	60,000	57,984	(2,016)
KEEP ME/MY ENVIRONMENT SAFE & HEALTHY			
RAMM Air Monitoring Equipment	90,000	692	0
PROVIDE GREAT THINGS FOR ME TO SEE & DO			
Passenger Lift at RAMM	75,000	1,120	0
St Nicholas Priory	115,000	81,758	0
RAMM World Culture Galleries	368,740	290,429	0
MAINTAIN THE ASSETS OF OUR CITY			
RAMM Roof Access Improvement	68,500	10,929	0

	Total Capital Budget	Total Spend to Date	2018/19 Programme Variances (Under)/Over
	£	£	£
DELIVER GOOD DEVELOPMENT			
Leisure Complex - Build Project	31,367,791	3,772,833	0
Bus Station Construction	6,870,000	1,373,153	0
Pinhoe Community Hub	100,000	10,000	0
Newtown Community Centre (S106)	85,430	16,443	0
Newtown Community Centre (1st Grant)	70,000	20,000	0
Newtown Community Centre (2nd Grant)	50,000	6,578	0
Beacon Heath Martial Arts & Boxing Club - New Roof	21,810	7,158	0
PLACE TOTAL	39,830,091	5,738,321	(9,856)
CORPORATE SERVICES			
WELL RUN COUNCIL			
Belle Isle Temporary Facilities	190,000	145,516	0
CORPORATE SERVICES TOTAL	190,000	145,516	0
HRA			
PROVISION OF NEW COUNCIL HOMES			
COB Wave 2 - Rennes Car Park	3,975,370	3,912,964	73,365
St Loyes Extracare Scheme	10,850,000	1,012,572	0
Estate Regeneration - Heavitree (COB Wave III)	459,150	460,905	1,751
Estate Regeneration - Heavitree (Clifford Close)	141,950	305	0
Estate Regeneration - Heavitree (Vaughan Road)	321,320	14,715	0
Estate Regeneration - Heavitree (South Street)	372,580	292,502	(1,751)
HRA TOTAL	16,120,370	5,693,963	73,365
TOTAL CAPITAL BUDGET	56,725,411	12,054,360	63,509

GENERAL FUND AVAILABLE RESOURCES

GENERAL FUND	2018-19 £	2019-20 £	2020-21 £	2021-22 £	TOTAL £
CAPITAL RESOURCES AVAILABLE					
Capital Receipts Brought Forward	6,306,833				6,306,833
GF Capital Receipts	163,590	0	1,259,750	0	1,423,340
GF Ringfenced Capital Receipts	0	0	0	0	0
Revenue Contributions to Capital Outlay	0	0	0	0	0
Disabled Facility Grant	801,181	450,000	450,000	450,000	2,151,181
New Homes Bonus	198,069	13,477,952	0	0	13,676,021
Community Infrastructure Levy	1,903,193	2,837,788	2,254,113	0	6,995,094
Other - Grants/External Funding/Reserves/S106	515,839	80,000	720,481	0	1,316,320
Total Resources Available	9,888,705	16,845,740	4,684,344	450,000	31,868,789
GENERAL FUND CAPITAL PROGRAMME					
Capital Programme	14,474,580	18,334,480	16,719,880	1,167,900	50,696,840
Overspends/(Savings)	41,578				41,578
Slippage	(491,100)	714,470	(223,370)		0
Total General Fund	14,025,058	19,048,950	16,496,510	1,167,900	50,738,418

UNCOMMITTED CAPITAL RESOURCES:					
Capital Receipts Brought Forward	6,306,833	6,253,895	6,253,895	1,387,400	6,306,833
Resources in Year	3,581,872	16,845,740	4,684,344	450,000	25,561,956
Less Capital Receipts to carry forward	(6,253,895)	(6,253,895)	(1,387,400)	(1,387,400)	(1,387,400)
Less Spend in Year	(14,025,058)	(19,048,950)	(16,496,510)	(1,167,900)	(50,738,418)
Borrowing Requirement	10,390,248	2,203,210	6,945,671	717,900	20,257,029

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HRA AVAILABLE RESOURCES

HOUSING REVENUE ACCOUNT	2018-19 £	2019-20 £	2020-21 £	2021-22 £	TOTAL £
CAPITAL RESOURCES AVAILABLE					
Usable Receipts Brought Forward					7,704,749
Major Repairs Reserve Brought Forward					11,169,004
Other HRA Sales	1,802,000	0	0	0	1,802,000
RTB sales	1,067,691	500,000	400,000	400,000	2,367,691
Surrender back to DCLG - pending investment in replacement affordable housing	0	(1,097,567)	0	0	(1,097,567)
Major Repairs Reserve	3,180,337	3,180,337	3,180,337	3,180,337	12,721,348
Revenue Contributions to Capital	7,196,555	2,500,000	3,000,000	4,500,000	17,196,555
External contributions	284,000	308,424	0	0	592,424
Grant funding - Estate Regeneration Funding	756,257	0	0	0	756,257
Grant funding - Zero Energy Buildings Project	216,000	0	0	0	216,000
Commuted sums	471,107	5,320,000	949,432	0	6,740,539
Total Resources available	14,973,947	10,711,194	7,529,769	8,080,337	60,169,000
CAPITAL PROGRAMME					
HRA Capital Programme	17,327,852	19,767,447	9,687,978	9,059,688	55,842,965
Quarter 2 - Overspends / (Savings)	(6,635)				(6,635)
Quarter 2 - Slippage / Re-profiling	(2,450,000)	1,050,000	1,400,000		0
Total Housing Revenue Account	14,871,217	20,817,447	11,087,978	9,059,688	55,836,330
UNCOMMITTED CAPITAL RESOURCES:					
Usable Receipts Brought Forward	7,704,749	8,419,440	4,791,873	2,851,869	7,704,749
Major Repairs Reserve Brought Forward	11,169,004	10,557,043	4,078,357	2,460,152	11,169,004
Resources in Year	14,973,947	10,711,194	7,529,769	8,080,337	41,295,247
Less Estimated Spend	(14,871,217)	(20,817,447)	(11,087,978)	(9,059,688)	(55,836,330)
Uncommitted Capital Resources	18,976,483	8,870,230	5,312,021	4,332,670	4,332,670
WORKING BALANCE RESOURCES:					
Balance Brought Forward	10,212,244	6,344,212	6,442,943	6,627,747	8,567,454
HRA Balance Transfer - Surplus/(Deficit)	(4,097,145)	472,618	398,191	(623,006)	(2,204,552)
Quarter 2 budget monitoring - forecast variances	229,113	(373,887)	(213,387)	(173,887)	(532,048)
Balance Carried Forward	6,344,212	6,442,943	6,627,747	5,830,854	5,830,854
Balance Resolved to be Retained	(4,000,000)	(4,000,000)	(4,000,000)	(4,000,000)	(4,000,000)
Uncommitted HRA Working Balance	2,344,212	2,442,943	2,627,747	1,830,854	1,830,854
TOTAL AVAILABLE CAPITAL RESOURCES	21,320,695	11,313,173	7,939,768	6,163,524	6,163,524

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REPORT TO **CORPORATE SERVICES SCRUTINY COMMITTEE,
EXECUTIVE AND COUNCIL**

Date of Meeting: **Corporate Services Scrutiny - 22 November 2018
Executive – 11 December 2018
Council - 18 December 2018**

Report of: **Chief Finance Officer**

Title: **Treasury Management 2018/19 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 2018/19 financial year and the position regarding investments and borrowings at 30 September 2018. 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 2018/19 financial year.

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 2018/19 financial year. Therefore, there are no financial or non-financial resource implications.

5. Section 151 Officer comments:

The report sets out the current position in respect of Treasury Management. The increase in interest received reflects the additional cash reserves that the Council has, which are being placed in line with the approved Strategy.

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 of concern to the Monitoring Officer.

8. Report Details:

8.1 Economic Context and Interest Rate Prospects

The first half of 2018/19 has seen UK economic growth post a modest performance, but sufficiently robust for the Monetary Policy Committee, (MPC), to unanimously (9-0) vote to increase the Bank Rate on 2 August from 0.5% to 0.75%. Although growth looks as if it will only be modest at around 1.5% in 2018, the Bank of England's August Quarterly Inflation Report forecast that growth will pick up to 1.8% in 2019, albeit there were several caveats –

mainly related to whether or not the UK achieves an orderly withdrawal from the European Union in March 2019.

The Authority's treasury management advisors have provided the following information:

"We do not think that the MPC will increase Bank Rate in February 2019, ahead of the deadline in March for Brexit. We also feel that the MPC is more likely to wait until August 2019, than May 2019, before the next increase, to be followed by further increases of 0.25% in May and November 2020 to reach 1.5%. However, the cautious pace of even these limited increases is dependent on a reasonably orderly Brexit."

8.2 **Treasury Management Strategy**

The Council approved the 2018/19 Treasury Management Strategy at its meeting on 20 February 2018. There were no significant changes to the 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). The yield from the Property Fund has been in the region of 4.5% in this financial year, which is significantly higher than the returns on other investment options available.

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.

In July the Council approved the establishment of a Housing Development Company. The Council is expecting to borrow £2.2 million during this financial year over 25 years from the PWLB and will lend the money to the Company at a rate of 4.86%. It is expected that the transaction will take place in the near future.

8.3 Net Interest Position

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

	Estimate	Actual to 30 September 2018	Estimated Outturn	Variation
	£	£	£	£
Interest paid	300,000	44,877	89,753	(210,247)
Interest earned				
Temporary investment interest	(190,610)	(172,405)	(326,408)	(135,798)
Other interest earned	(180)	0	0	180
Science Park Loan	(25,780)	(12,890)	(25,780)	0
CVS Loan	(19,530)	(1,953)	(3,906)	15,624
Less				
Interest to HRA	192,000	123,566	247,133	55,133
Interest to S106 agreements	90,000	49,710	99,420	9,420
Interest to Trust Funds	4,000	2,215	4,430	430
Lord Mayors Charity	100	95	190	90
GF interest (received) / paid out	50,000	(11,662)	(4,922)	(54,922)
Net Interest	350,000	33,215	84,832	(265,168)
CCLA – LAPF Dividend	(250,000)	(112,572)	(225,143)	24,857
Investment Loss – General Fund	0	0	0	0
Net Interest	100,000	(79,356)	(140,311)	(240,311)

9. Investment Interest

The Council can use the Government's Debt Management Office account and call accounts with Handelsbanken and Barclays, however, due to low interest rates these have not yet been used this financial year. 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.

9.1 The Council's current investments are:

Money Market Funds

Amount	Investment	Interest rate*
£5,000,000	Amundi Asset Management	0.56%
£4,000,000	Federated Investors UK	0.56%
£1,500,000	CCLA	0.57%

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

Fixed Term Deposits - Current

Amount	Investment	Interest rate	Date Invested	No of Days
£3,000,000	Eastleigh Borough Council	0.55%	15/11/17	364
£5,000,000	Guildford Borough Council	0.55%	28/11/17	364
£5,000,000	Blackpool Borough Council	0.60%	07/12/17	364
£5,000,000	Leeds City Council	0.60%	08/06/18	185
£5,000,000	London Borough of Southwark	0.95%	27/02/18	364
£3,000,000	Salford City Council	0.78%	24/08/18	210
£5,000,000	Slough Borough Council	0.60%	04/04/18	364
£3,000,000	North Ayrshire Council	0.70%	26/06/18	364
£3,000,000	The City of Liverpool	0.85%	14/08/18	364
£5,000,000	Dundee City Council	0.85%	22/08/18	364

Fixed Term Deposits – Forward Deals

Amount	Investment	Interest rate	Date Invested	No of Days
£5,000,000	Blackpool Borough Council	0.81%	06/12/18	99

Property Funds

Amount	Investment	Dividend Yield
£5,000,000	CCLA – LAMIT Property Fund	4.50%

10. Borrowings

The Council's short term borrowing is £10 million, long term borrowing remains at £56.884 million. Details of current loans are set out in 10.1. The future cash flow forecast included planned borrowing of £10 million as part of the 2018-19 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	London Borough of Wandsworth	0.90%	05/12/2019
£56,884,000	PWLB	3.48%	28/03/2062

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 0.90% and 1.10% 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 0.69% and 0.72%, the rates are liable to fluctuation in the year. The call accounts offer between up to 0.40% 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.

The Council is anticipating £16 million of expenditure on the St Sidwells Point and Bus Station projects in 2019/20 and a further £15 million in 2020/21 but will utilise its cash balances and short term borrowing to reduce the cost of financing the project until such time as it is operational and generating an income. This will be reviewed if interest rates begin to rise substantially.

- 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. The rates received are currently around 0.80%.
- 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 2019.

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: Nicola Matthews-Morley, 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)

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Appendix A

List of Approved Counterparties for Lending for Exeter City Council

Counterparty	Fitch Ratings		Moody's Ratings		Band Name	Monetary Limit	Duration
	Long Term	Short Term	Long Term	Short Term			
Australia	AAA		Aaa				
Banks							
Australia and New Zealand Banking Group Ltd.	AA-	F1+	Aa3	P-1	Non UK	3 Million	9 Months
Commonwealth Bank of Australia	AA-	F1+	Aa3	P-1	Non UK	3 Million	9 Months
National Australia Bank Ltd.	AA-	F1+	Aa3	P-1	Non UK	3 Million	9 Months
Westpac Banking Corp.	AA-	F1+	Aa3	P-1	Non UK	3 Million	9 Months
Canada	AAA		Aaa				
Banks							
Bank of Montreal	AA-	F1+	Aa2	P-1	Non UK	3 Million	9 Months
Bank of Nova Scotia	AA-	F1+	Aa2	P-1	Non UK	3 Million	9 Months
Canadian Imperial Bank of Commerce	AA-	F1+	Aa2	P-1	Non UK	3 Million	9 Months
Royal Bank of Canada	AA	F1+	Aa2	P-1	Non UK	3 Million	9 Months
Toronto-Dominion Bank	AA-	F1+	Aa1	P-1	Non UK	3 Million	9 Months
Finland	AA+		Aa1				
Banks							
Nordea Bank Abp	AA-	F1+	Aa3	P-1	Non UK	3 Million	9 Months
OP Corporate Bank plc	WD	WD	Aa3	P-1	Non UK	3 Million	9 Months
Germany	AAA		Aaa				
Banks							
DZ BANK AG Deutsche Zentral-Genossenschaftsbank	AA-	F1+	Aa1	P-1	Non UK	3 Million	9 Months
Landesbank Berlin AG			Aa2	P-1	Non UK	3 Million	9 Months
Landesbank Hessen-Thuringen Girozentrale	A+	F1+	Aa3	P-1	Non UK	3 Million	9 Months

Counterparty	Fitch Ratings		Moody's Ratings		Band Name	Monetary Limit	Duration
	Long Term	Short Term	Long Term	Short Term			
Landwirtschaftliche Rentenbank	AAA	F1+	Aaa	P-1	Non UK	3 Million	9 Months
NRW.BANK	AAA	F1+	Aa1	P-1	Non UK	3 Million	9 Months
Netherlands	AAA		Aaa				
Banks							
Bank Nederlandse Gemeenten N.V.	AA+	F1+	Aaa	P-1	Non UK	3 Million	9 Months
Cooperatieve Rabobank U.A.	AA-	F1+	Aa3	P-1	Non UK	3 Million	9 Months
Nederlandse Waterschapsbank N.V.			Aaa	P-1	Non UK	3 Million	9 Months
Singapore	AAA		Aaa				
Banks							
DBS Bank Ltd.	AA-	F1+	Aa1	P-1	Non UK	3 Million	9 Months
Oversea-Chinese Banking Corp. Ltd.	AA-	F1+	Aa1	P-1	Non UK	3 Million	9 Months
United Overseas Bank Ltd.	AA-	F1+	Aa1	P-1	Non UK	3 Million	9 Months

Counterparty	Fitch Ratings		Moody's Ratings		Band Name	Monetary Limit	Duration
	Long Term	Short Term	Long Term	Short Term			
Sweden	AAA		Aaa				
Banks							
Skandinaviska Enskilda Banken AB	AA-	F1+	Aa2	P-1	Non UK	3 Million	9 Months
Svenska Handelsbanken AB	AA	F1+	Aa2	P-1	Non UK	3 Million	9 Months
Swedbank AB	AA-	F1+	Aa2	P-1	Non UK	3 Million	9 Months
Switzerland	AAA		Aaa				
Banks							
UBS AG	AA-	F1+	Aa2	P-1	Non UK	3 Million	9 Months
United Kingdom	AA		Aa2				
AAA rated and Government backed securities							
Debt Management Office					DMO		12 Months
Banks							
Abbey National Treasury Services PLC	A	F1	Aa3	P-1	UK Low	3 Million	6 Months
Bank of Scotland PLC (RFB)	A+	F1	Aa3	P-1	UK Low	3 Million	6 Months
Barclays Bank PLC (NRFB)	A	F1	A2	P-1	UK Low	3 Million	6 Months
Barclays Bank UK PLC (RFB)	A	F1	A1	P-1	UK Low	3 Million	6 Months
Close Brothers Ltd	A	F1	Aa3	P-1	UK Low	3 Million	6 Months
Goldman Sachs International Bank	A	F1	A1	P-1	UK Low	3 Million	6 Months
HSBC Bank PLC (NRFB)	AA-	F1+	Aa3	P-1	UK High	4 Million	12 Months
HSBC UK Bank Plc (RFB)	AA-	F1+			UK High	4 Million	12 Months
Lloyds Bank Corporate Markets Plc (NRFB)	A	F1	A1	P-1	UK Low	3 Million	6 Months
Lloyds Bank Plc (RFB)	A+	F1	Aa3	P-1	UK Low	3 Million	6 Months
Santander UK PLC	A	F1	Aa3	P-1	UK Low	3 Million	6 Months
Standard Chartered Bank	A+	F1	A1	P-1	UK Low	3 Million	6 Months
Sumitomo Mitsui Banking Corporation Europe Ltd	A	F1	A1	P-1	UK Low	3 Million	6 Months
UBS Ltd.	AA-	F1+	Aa3	P-1	UK High	4 Million	12 Months
Building Society							
Coventry Building Society	A	F1	A2	P-1	UK Low	3 Million	6 Months

Counterparty	Fitch Ratings		Moody's Ratings		Band Name	Monetary Limit	Duration
	Long Term	Short Term	Long Term	Short Term			
Nationwide Building Society	A	F1	Aa3	P-1	UK Low	3 Million	6 Months
United States	AAA		Aaa				
Banks							
Bank of America N.A.	AA-	F1+	Aa3	P-1	Non UK	3 Million	9 Months
Bank of New York Mellon, The	AA	F1+	Aa1	P-1	Non UK	3 Million	9 Months
JPMorgan Chase Bank N.A.	AA	F1+	Aa1	P-1	Non UK	3 Million	9 Months
Wells Fargo Bank, NA	AA-	F1+	Aa1	P-1	Non UK	3 Million	9 Months

Advisory notes:

Country Limits Maximum of £3 million

Counterparty Limits Maximum that will be lent to any one organisation (other than the UK Government) will be £5 million.
For individual banks the limit is £4 million.

REPORT TO: CORPORATE SERVICES SCRUTINY
Date of Meeting: 22 November 2018

REPORT TO: EXECUTIVE
Date of Meeting: 11 December 2018

REPORT TO: COUNCIL
Date of Meeting: 18 December 2018

Report of: Director – Communities, Health, Wellbeing, Sport & Leisure

Title: Safeguarding Policy

Is this a Key Decision?

No

Is this an Executive or Council Function?

Council

1. What is the report about?

1.1 To seek approval for the city council's revised safeguarding policy.

2. Recommendations:

2.1 That Corporate Services Scrutiny supports the adoption of the revised safeguarding policy.

2.2 That Executive supports the adoption of the revised safeguarding policy.

2.3 That Council adopts the revised safeguarding policy.

3. Reasons for the recommendation:

3.1 The safeguarding policy has been updated to reflect changes in governance arrangements for safeguarding within the council.

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

4.1 The report is an update on the policy. There are no specific resource implications other than training and awareness raising programmes to ensure all staff understand their responsibilities and what to do to manage enquiries and referrals.

5. Section 151 Officer comments:

There are no additional financial implications contained in this report.

6. What are the legal aspects?

6.1 The Children Act 2004, specifically Section 11, places a duty on key people and public bodies, including district councils, to make arrangements to ensure that their functions are discharged with regard to the need to safeguard and promote the welfare of children.

6.2 The Care Act 2014 requires local authorities and relevant partners (including district councils) to co-operate with each other when exercising any respective functions which are relevant to care and support. This co-operation can be at a strategic level or related to individual cases.

6.3 There are a number of other pieces of legislation that cover all aspects of safeguarding under which the council has specific duties and these are listed in the policy document.

7. Monitoring officer Comments

This report raises no issues from the Monitoring Officer.

8. Report Details:

8.1 The city council has had a safeguarding policy in place since 2006, which has been subject to review and minor amendments.

8.2 In 2016 a joint policy with each of the district councils across Devon was developed to provide a framework of understanding about what safeguarding is and how to respond across the county. This was based on the Exeter City Council policy.

8.3 In order to more easily reflect the city council's internal reporting structures and levels of accountability a single Exeter City Council policy is more appropriate as this better reflects how our organisation works. Section 6 of the policy sets out the governance framework and responsibilities of officers and members.

8.4 In addition two sections (7 and 8) have been added to clarify responsibilities around events and land hire and grant applications.

8.5 The policy is subject to ongoing annual review in order to respond to changes in legislation and best practice.

8.6 Members are asked to endorse this policy.

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

9.1 In promoting safeguarding and protecting the wellbeing of children, young people and adults with care and support needs the safeguarding policy meets contributes directly to three strands of the Corporate Plan:

- Leading a well-run council
- Building great neighbourhoods
- Promoting active and healthy lifestyles

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

10.1 The council safeguarding officers work closely with both Devon Safeguarding Adults Board, Devon Children and Families Partnership Quality Assurance Board, Safer Devon Partnership and other district councils. This ensures best practice and that the council is kept up to date with any issues.

10.2 Corporate Safeguarding risks are identified and monitored through the Corporate Risk Register.

11 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?

11.1 The policy and associated work has a positive impact on equality and diversity, health and wellbeing and safeguarding. An equality impact assessment has been conducted which is appended to this report.

12 Are there any other options?

12.1 No.

Jo Yelland, Director – Communities, Health, Wellbeing, Sport & Leisure

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) 26115

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Exeter City Council

Safeguarding Policy

This policy should be read with the Exeter City Council guides for managers and employees

This policy can be made available in large print and other formats such as printed on yellow paper, taped, Braille etc. as requested.

Policy development and Version details

V2 20 September 2018

Title	Exeter City Council Safeguarding Policy
Author	Melinda Pogue-Jackson, Policy Officer
Owner	Jo Yelland, Director
Review dates	September 2019
Status for FOI	Open
Protected marking status	Unclassified
EqIA conducted	October 2015

Version	Date	Description

1. Introduction

- 1.1 Exeter City Council believes that all children, young people and adults have the right to be safe, happy and healthy and deserve protection from abuse. The council is committed to safeguarding from harm all children, young people and adults with care and support needs (see definition in point 3.1 relating to the Care Act 2014) using any council services and involved in any of their activities, and to treat them with respect during their dealings with the councils, our partners and contractors.
- 1.2 We aim to act as an exemplar of safeguarding practice providing strong leadership and improving safeguarding standards through having a robust safeguarding policy and monitoring system.

2. Aims of the Policy

2.1 The aims of the policy are to:

- Clarify the roles and responsibilities of all parties within scope of the policy.
- Support the promotion of a safe working environment and a culture of care in which the rights of all children, young people and adults with care and support needs are protected and respected.
- Promote best practice in how employees, elected members and associated workers interact with children, young people and adults with care and support needs while providing Council services.
- Develop clear guidance and procedures for those employees, elected members and associated workers and ensure through training and support that they are aware of these and able to implement them.
- Provide a framework for developing partnerships with appropriate external bodies e.g. Devon Safeguarding Children Board and Devon Safeguarding Adults Board, to ensure that the policy continues to reflect legal and best practice requirements in respect of the responsibility of care of children, young people and adults with care and support needs.

3. Scope of the Policy

3.1 The policy is in respect of Exeter City Council's responsibility towards:

- Children and young people, legally defined as any person under the age of 18. From this point the terms child or children will be used to refer to this group.
- Adults with care and support needs are defined under the Care Act 2014 and for the purposes of this policy, as anyone over the age of 18 who:
 - has needs for care and support (whether or not the local authority is meeting any of those needs) **and**;
 - is experiencing, or at risk of, abuse or neglect; **and**
 - as a result of those care and support needs is unable to protect themselves from either the risk of, or the experience of abuse or neglect.
- The employees of the council who have dealings with children, young people and adults with care and support needs and who are required to act in a position of trust and to act responsibly and within the law.
- The employees and elected members of the council who, while not required to act in a position of trust, may come into contact with members of these groups on a regular basis during the course of their work.
- Volunteers and other workers involved in the provision of council services but not employed by the council, including workers in organisations with whom the council has contracts for the delivery of services.

3.2 It covers all the functions and services of the council, its elected members, staff, partners and contractors.

3.3 This document is primarily concerned with protecting children, young people and adults with care and support needs from harm and providing guidance on how to deal with issues. However it is

important to remember that safeguarding has a wider meaning which includes the promotion of welfare and taking action to enable all children, young people and adults with care and support needs to have the best life outcomes.

- 3.4 The policy does not cover health and safety issues related to safeguarding children such as use of play equipment or provision of food at events. Separate guidance on this and appropriate behaviours when dealing with children and adults with care and support needs, should be read in conjunction with this policy.
- 3.5 The policy does not cover safeguarding of council staff, elected members, contractors or volunteers which is dealt with separately under the Health and Safety Policy and associated procedures.

4. Legal Framework

4.1 This policy is based on Exeter City Council's responsibilities under:

- 4.1.1 The Care Act 2014 in particular Sections 42 to 46 related to safeguarding, further information can be found at: <http://www.legislation.gov.uk/ukpga/2014/23/contents/enacted>
- 4.1.2 The Children Act 2004, specifically Section 11 which places a duty on key people and public bodies, including district councils, to make arrangements to ensure that their functions are discharged with regard to the need to safeguard and promote the welfare of children. Further information can be found at: <http://www.legislation.gov.uk/ukpga/2004/31/contents>
- 4.1.3 The Counter Terrorism Act 2015 section 26 which places a duty on certain bodies, in the exercise of their functions, to have due regard to the need to prevent people from being drawn into terrorism. The Prevent Agenda is one of four strands which makes up the Governments counter-terrorism strategy. Further information can be found at: <http://www.legislation.gov.uk/ukpga/2015/6/contents>
- 4.1.4 The Modern Slavery Act 2015. Further information can be found at: <http://www.legislation.gov.uk/ukpga/2015/30/contents/enacted>
- 4.1.5 The Anti-Social Behaviour, Crime and Policing Act 2014 in particular Part 10 relating to forced marriage. Further information can be found at: <http://www.legislation.gov.uk/ukpga/2014/12/contents/enacted>
- 4.1.6 The Serious Crime Act 2015 particularly Part 5 (see Appendix A)
- 4.1.7 The policy is written with reference to the principle of Think Child, Think Parent, Think Family. Further information can be found at: <https://www.devonchildrenandfamiliespartnership.org.uk/documents/2014/10/think-family-protocol.pdf/>

5. Supporting structures, policies and procedures

- 5.1 A Corporate Safeguarding Group has been set up to have oversight of safeguarding practice within the council and to drive forward improvements. The Group meets four times a year and includes representation from the Strategic Management Board and unions.
- 5.2 The Director Communities, Health, Wellbeing, Sport and Leisure has been appointed Strategic Safeguarding Lead and will chair the Corporate Safeguarding Group.
- 5.3 In addition the council has appointed a Corporate Safeguarding Lead responsible for co-ordinating the implementation of the policy and providing a single point of contact for the safeguarding boards.

- 5.4 The Corporate Safeguarding Lead has responsibility for:
- ensuring there is a secure central record relating to allegations and investigations
 - acting as multi agency partner on the Local Safeguarding Children Board and Local Adult Safeguarding Board
 - advocating the importance of safeguarding to partners, contractors and customers
 - ensuring all safeguarding policies, procedures and guidelines are implemented and promoted
- 5.5 In addition the Corporate Safeguarding Lead chairs a Safeguarding Representatives Group made up of a number of staff across the different services of the council. This group will have an operational overview of safeguarding issues in service areas, together with actions that could be taken.
- 5.6 Safeguarding Representatives have responsibility for:
- Receiving concerns, discussing them with whoever has raised the concern and taking advice from the relevant partner agency/County Council service: this could include complex matters such as consent and whether parents/carers should be notified.
 - Making a decision about how to proceed and whether to make a formal referral. If there is disagreement on the appropriate course of action to take then the safeguarding lead has the final decision. Where staff are dissatisfied with the decision of the safeguarding lead, they should report their concerns to their line manager in the first instance and can still make a referral if they have strong concerns.
 - Ensuring the procedure is followed on such matters as making a referral, confidentiality and recording.
 - Working with colleagues to improve practice across the organisation.
 - In the event of an incident or query, should a safeguarding lead not be available, staff should go straight to relevant Devon County Council service. They can be supported by a senior manager but details of any incident must not be shared unless absolutely necessary.
 - Attending appropriate courses and updating of safeguarding legislation.
- 5.7 Any staff who have a safeguarding concern should in the first instance discuss the matter with any one of the Safeguarding Representatives who will make a decision whether or not to refer the matter to the appropriate external organisation. A suite of supporting procedural documents is made available to all staff on the council's intranet site.
- 5.8 Exeter Community Safety Partnership (of which Exeter City Council is a statutory partner) also deals with some safeguarding issues on a city wide basis such as Domestic & Sexual Violence and Abuse, Modern Slavery, Child Sexual Exploitation and Preventing Violent Extremism. Both the Strategic and Corporate Safeguarding Leads sit on the Partnership so are able to ensure that the work of the Corporate Safeguarding Group supports that of the Community Safety Partnership and vice versa .
- 5.9 This policy should also be used in conjunction with the following:
- Disciplinary Procedure
 - Grievance Procedure
 - Whistle Blowing Policy
 - IT Acceptable Use Policy

- Equality and Diversity Policy
- Complaints & Feedback Procedure
- Harassment and Hate Crime Policy
- Health & Safety at Work guidance

6. Responsibilities

6.1 Responsibility for the implementation of this policy lies at all levels of the council.

6.2 Members

6.3 Elected members are collectively responsible for ensuring that the council has a policy, which adequately provides protection for children and adults with care and support needs in receipt of its services and for the regular review of this policy in the light of changes to legislation or regulation.

6.4 Each Exeter City Councillor has the personal responsibility to comply with the policy.

6.5 Elected Members should report any concerns to the Strategic or Corporate Safeguarding Leads.

6.6 The Portfolio Holder for Support Services has lead responsibility for safeguarding.

6.7 Officers

6.8 All employees and particularly those working with children and adults with care and support needs are responsible for:

- Ensuring that they are familiar with and understand the policies and procedures relating to their work with or in the vicinity of children and adults with care and support needs.
- Ensuring that they feel confident in working within this environment and working with their managers to ensure that they have the knowledge and skills to carry out their tasks in this context.
- Treating all those children and adults with whom they come into contact while carrying out their work equally and with respect.
- Reporting to a Safeguarding Representative, any concerns they may have about abuse or a lack of care of children and adults with care and support needs either from other staff, from carers, parents or those in place of a parent or between members of the group.

6.9 The Chief Executive is the lead officer with overall responsibility for the organisation's safeguarding arrangements,

6.10 Strategic Management Board is required to ensure good governance of the organisation and has responsibility to make sure this policy is consistently applied and taken into account when setting strategic direction and reviewing performance.

6.11 Members of Strategic Management Board are also responsible for:

- Ensuring that all necessary procedures and practices are in place to provide adequate protection both for the individuals in these groups but also protection for the employees involved with them.
- Ensuring that the procurement framework for the authority includes expectations upon contractors to demonstrate effective safeguarding practices for all their staff.

6.12 Tier 3 Service Leads are responsible for:

- Identifying those services and posts that are likely to have an involvement with children and adults with care and support needs, and undertaking an appropriate risk assessment of posts in respect of DBS disclosure requirements.
- Ensuring that those people appointed by them to the district council, whose normal duties fall into the definition of Regulated Activity as defined in the Safeguarding Vulnerable Groups Act 2006 and amended by the Protection of Freedoms Act 2012, are subject to the appropriate level of DBS disclosure and are appropriately qualified and/or trained in working with these groups.
- Ensuring that proper records are kept of any incidents occurring within their service and that these are held securely and/or passed on to the council's Human Resources/Personnel team if the incident involves a member of staff.
- Ensuring that employees, volunteers and other workers dealing with these groups are adequately trained and aware of their responsibilities in this area.
- Ensuring that external contractors delivering council services are aware of the council's expectation that workers are aware of and abide by the standards of behaviour expected of council employees.
- Ensuring that carers and/or parents of the children and adults with care and support needs are aware that, in providing services, council employees are not normally acting in place of a parent, except in relation to events for unaccompanied children who have been formally registered.
- Ensuring the carers and/or parents of the children and adults with care and support needs who are in direct receipt of council services ¹ are made aware that services will be delivered in line with this policy.
- Ensuring that any evidence or complaint of abuse or lack of care is reported to the appropriate body e.g. Devon County Council, Safeguarding Board or the Police, and to council's Human Resources team where employees, volunteers and contractors are involved and to the Monitoring Officer where elected members are involved.
- Ensuring that employees and others do not work with children or adults with care and support needs on regulated activities without an appropriate Disclosure & Barring Service (DBS) disclosure.
- Working with other associated agencies to ensure the proper transfer of information relating to dealings with children and adults with care and support needs, where necessary.
- Ensuring that adequate supervision and support is available to those who have been directly involved in dealing with safeguarding cases, including a debrief of the case and any relevant outcomes.

6.13 Human Resources are responsible for:

- Working with senior managers in maintaining a record of those posts, requiring a DBS disclosure together with the level of disclosure required.
- Ensuring that recruitment procedures are robust and that information pertinent to working with these groups is obtained during the recruitment procedure.

¹ For example: this would include arranging accommodation for a vulnerable adult or holding an event for children at the museum. It would not include arranging accommodation for a family with children where the contract is with the parents/carers.

- Ensuring that DBS Disclosures are carried out in compliance with legislation and DBS guidance.
- Supporting senior managers in dealing with allegations of abuse or lack of care by staff.
- Referring information to the DBS and Local Authority Designated Officer (LADO) about employees who have been dismissed or removed from working with vulnerable groups (or would have been had they not left/resigned) as a result of a relevant caution/conviction, conduct that has harmed or put a child/vulnerable adult at risk of harm, or satisfied the 'Harm Test' in relation to vulnerable groups.

6.14 Volunteers and other workers are responsible for:

- Working with employees of the council, to the same standard, in ensuring the safety and well-being of children and adults with care and support needs within their scope.
- Participating in any training or development opportunities offered to them to improve their knowledge of skills in this area.

6.15 Contractors, suppliers and consultants are responsible for:

- Working with employees of the council, to the same standard, in ensuring the safety and well-being of children and adults with care and support needs within their scope.
- Participating in any training or development opportunities offered to them to improve their knowledge of skills in this area.

6.16 A requirement to comply with equality legislation will be included in all contracts and service level/delivery agreements. Failure to comply may lead to the termination of contracts. Organisations doing business with us are welcome to adopt our safeguarding policy for their own use.

7. Events and land hire

- 7.1 Any organisation who has lease agreements or regularly hire out or lease council facilities or open spaces, should have appropriate safeguarding procedures in place. They should also ensure any volunteer or employee that has unsupervised contact with children, young people or adults with care and support needs undertakes a DBS check.
- 7.2 Any safeguarding concerns on council land should be reported to a Safeguarding Representative. (Not negating a need to call Police in a safeguarding emergency) Safeguarding Representatives are able to provide further advice and support to groups or organisations.
- 7.3 An Exeter City Council Events Hire Policy is being developed which will provide more detail on these requirements.

8. Grant applications

- 8.1 Safeguarding policies and procedures are required from all grant funded organisations. Satisfactory DBS checks for employees and volunteers may also be requested of any organisation or group, working with children, young people and adults with care and support needs who seek funding from the council.
- 8.2 As a minimum, an organisation will be expected to have a policy statement or procedure relating to safeguarding. Commissioned, contracted or grant funded organisations with minimal contact with children, young people and vulnerable adults may wish to adopt the councils Safeguarding Policy and procedures if deemed suitable.

9. Review

- 9.1 This policy and the related guidance will be reviewed annually or sooner if required by the Safeguarding Representatives Group and Corporate Safeguarding Group. This will include and on-going review of guidance, both nationally and locally, to ensure the Council meets requirements to safeguard children, young people and adults, and there are appropriate procedures and protocols in place.
- 9.2 The Council's scrutiny function will also have a role in scrutinizing and challenging the Corporate Safeguarding Policy and the work of the Corporate Safeguarding Group. An annual report will be submitted to the Place Scrutiny committee.

Serious Crime Act 2015

Part 5 Protection of children and others

Protection of children

- 66. Child cruelty offence
- 67. Sexual communication with a child
- 68. Child sexual exploitation
- 69. Possession of a paedophile manual

Female genital mutilation

- 70. Offence of female genital mutilation: extra-territorial acts
- 71. Anonymity for victims of female genital mutilation
- 72. Offence of failing to protect girl from risk of genital mutilation
- 73. Female genital mutilation protection orders
- 74. Duty to notify police of female genital mutilation
- 75. Guidance about female genital mutilation

Domestic Abuse

- 76. Controlling or coercive behavior in an intimate or family relationship
- 77. Guidance about investigation of offences under section 76

Further information can be found at: <http://www.legislation.gov.uk/ukpga/2015/9/contents/enacted>



Corporate Safeguarding Group Terms of Reference

Safeguarding means protecting people's health, wellbeing and human rights, and enabling them to live free from harm, abuse and neglect.

Purpose

- 1.1 Exeter City Council recognises and accepts its responsibility as an employer to ensure, as far as is reasonably practicable, that its staff are aware of their individual and collective responsibilities to safeguard vulnerable citizens**
- 1.2 In its ambition to act as an 'exemplar' of safeguarding practice, it seeks to give strong leadership through the formation of a Corporate Safeguarding Group to devise, develop and promote controls and initiatives, to improve standards of safeguarding through having a robust Safeguarding Policy and monitoring system.**

1. Function

- 1.1 Responsibility for promoting exemplar safeguarding practice throughout the Council;
- 1.2 Actively improve safeguarding performance and standards, and strive to exceed all statutory standards, codes of practice, regulations and applicable legal requirements reviewing where and when appropriate;
- 1.3 To ensure the effective implementation of systems and processes for safeguarding is embedded within corporate and service structures;
- 1.4 Provide strategic oversight for all aspects of safeguarding work across the organisation and ensure our policies and procedures are up to date and effective in protecting people who use services from potential or actual harm;
- 1.5 To identify, commission and monitor the Council's safeguarding training needed and attainment of the required training standards;
- 1.6 Providing strategic leadership and oversight with respect to safeguarding across all Council services so that strategic decisions can be made on robustly tackling emerging threats and trends, together with actions that need to be taken;
- 1.7 Consider reports from the Safeguarding Lead, Safeguarding Representatives Meetings, Internal Audit and external auditors deemed necessary;
- 1.8 Consider information provided by HM Government and other responsible bodies and provide the necessary strategic direction and guidance as required;
- 1.9 Provide strategic direction regarding Safeguarding communication and publicity across the Council, raising the profile of children and adults' safeguarding and promote proactive communications and raise awareness both internally and externally;
- 1.10 Initiate improvements in Exeter City Council's working practices, systems and procedures to support effective safeguarding practice in Exeter City Council's statutory and regulatory roles to protect people from potential or actual harm;
- 1.11 Identify, respond and escalate, as appropriate, organisational risk within Exeter City Council related to safeguarding;

- 1.12 To be satisfied that investigations have been undertaken where safeguarding issues are suspected or identified, to receive reports and make appropriate recommendations arising from the outcome of such investigations;
- 1.13 To provide strategic oversight of any internal management reviews that are conducted and to consider recommendations that are made as a result of Domestic Homicide Reviews, Safeguarding Adults Reviews and children's Serious Case Reviews;
- 1.14 To maintain links with other local community safety and protection strategies and frameworks, ensuring that multi-agency partnership working is strengthened and any issues identified are given a focus (such as PREVENT, domestic and sexual violence and abuse, modern slavery, child sexual exploitation and hate crime).

2. Membership

2.1 **The membership of the Corporate Safeguarding Committee will be:**

- **Directors**
- **City Solicitor and Human Resources Manager**
- **Chief Finance Officer**
- **UNISON Branch Secretary (or nominated deputy)**
- **Other recognised Union Branch Secretary's as appropriate**
- **Corporate Safeguarding Lead**
- **Environmental Health and Licensing Manager**

3.2 **Membership of the group will be reviewed annually to ensure that it remains appropriate.**

3.3 **A minimum of 5 group members will need to be present at any given committee meeting for it to be deemed quorate.**

3. Procedures

4.1 **The Chair shall be a Director nominated from the Senior Management Board and will be reviewed at the first meeting of the calendar year.**

4.2 **Tier 3 staff (Corporate Managers and Service Leads) may make representation about safeguarding matters relating to their service through making a formal request to the chair.**

4.3 **Tier 3 staff may also be invited to discuss matters arising at the request of the chair.**

4.4 Meetings will take place every quarter. Reports submitted will be timetabled and there will be standing items on proactive and reactive monitoring.

4.5 Additional meetings may be arranged by the chair in exceptional circumstances in response to a local or national event or change in national guidance or legislation.

4.6 Minutes of meetings will be taken by Democratic Services

4.7 Agreed minutes will be kept of each meeting and circulated to the group members. A copy of the minutes will be made available on Mod Gov. committee system

4.8 Group members will be trained in safeguarding.



Safeguarding Representatives Group Terms of Reference

Safeguarding means protecting people's health, wellbeing and human rights, and enabling them to live free from harm, abuse and neglect.

4. Purpose

1.1 Exeter City Council recognises and accepts its responsibility as an employer to ensure, as far as is reasonably practicable, that its staff are aware of their individual and collective responsibilities to safeguard vulnerable citizens

1.2 In its ambition to act as an 'exemplar' of safeguarding practice, it seeks to give strong leadership through the formation of a Corporate Safeguarding Group and Safeguarding Representatives Group to devise, develop and promote controls and initiatives, to improve standards of safeguarding through having a robust Safeguarding Policy and monitoring system.

Function

4.1 Actively improve safeguarding performance and standards, and strive to exceed all statutory standards, codes of practice, regulations and applicable legal requirements reviewing where and when appropriate

4.2 Commit to improving safeguarding practice across the organisation and to take all reasonable steps to promote safeguarding.

4.3 To have an operational overview of safeguarding issues in service areas, together with actions that could be taken.

4.4 Make representation on potential safeguarding risks which affect, or could affect service areas

4.5 Make representations on general safeguarding matters affecting service areas and on matters consulted about by the Corporate Safeguarding Group

4.6 Undertake audits and reviews assigned to them and report back to the Safeguarding Representatives Meeting

4.7 Consider information provided by the Devon Children and Families Partnership, Devon Adult Safeguarding Board and other relevant partnerships, and input to the Safeguarding Group on the impact to service areas as required

4.8 Revise and review safe working practices as necessary

4.9 Consider reports which other Safeguarding Representatives submit to the meeting

4.10 To provide an operational input on safeguarding training

4.11 Progress the annual Safeguarding Action Plan within their service area

5. Membership

5.1 The membership of the Safeguarding Representatives Group will be:

- **Corporate Safeguarding Lead**
- **Safeguarding representatives from the following services:**

- **Housing Assets, Customers and Lettings & Leasehold**
- **Housing Needs**
- **RAMM**
- **Leisure contract**
- **Benefits**
- **Payments & Collections**
- **Customer Services**
- **Environmental Health**
- **Events**
- **Corn Exchange**
- **Place Directorate**
- **City Development and Economy**

3.2 Membership of the Group will be reviewed annually to ensure that it remains appropriate

3.3 A minimum of 5 group members will need to be present at any given group meeting for it to be deemed quorate.

6. Procedures

4.1 The Chair shall be the Corporate Safeguarding Lead.

4.2 Meetings will take place every quarter. The agenda will focus on service improvement and performance monitoring of remedial actions. Matters arising that cannot be resolved locally will be passed to the Safeguarding Group for consideration.

4.5 Meetings that have to be cancelled or postponed will have an agreed date for the next meeting made as soon as possible

4.6 Additional meetings may be arranged by the chair in exceptional circumstances in response to a local or national event or change in national guidance or legislation.

4.7 Agreed minutes will be kept of each meeting and circulated to the Representative Group Members and the Corporate Safeguarding Group.

4.8 Safeguarding Representative Group Members will be trained to Devon Children and Families Partnership Group 3 and Devon Adult Safeguarding Board Level 3 or equivalent.

4.9 Safeguarding Representative Group Members will be permitted time away from normal duties to fulfil their role. The amount of time away from normal duties will be discussed and agreed with the line manager of the service from which the Representative Group Member is nominated.

4.10 Changes to the Safeguarding Representatives Group terms of reference must receive ratification from the Safeguarding Group.

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Equality Impact Assessment report

Exeter City Council Safeguarding Policy

Introduction

The aim of the policy is to make sure that the safeguarding process is more accessible and effective through improving understanding of what safeguarding means, setting out a clear line of accountability and simplification of reporting.

The policy is a key corporate document and supporting procedures are available to all staff. The purpose of this policy and associated procedures is to protect and promote the welfare of the children and adults with care and support needs using or receiving services provided or commissioned by Exeter City Council and to protect the council, its officers, elected members and volunteers.

The policy had been a joint policy with other district councils across Devon but following an annual review the Exeter City Council has decided to have its own policy thereby making it easier to reflect its internal reporting structures and levels of accountability. The other main changes made to the policy have been the addition of clauses on events and land hire, grant applications and clarity around accountability taking into consideration the creation of the new Corporate Safeguarding Group and Safeguarding Representatives Group.

Stakeholder consultation

Devon Children and Families Partnership Quality Assurance Board and Devon Local Safeguarding Adults Board provide the strategic lead for safeguarding in the county. Exeter City Council has a duty to co-operate with the county council in discharging its duties and to promote the wellbeing of children and adults with care and support needs.

The ultimate beneficiary from this policy will be the local community in that it will provide reassurance as to how the council will deal with safeguarding issues. However in practice the people who will be guided by the policy on a day to day basis will be council employees whose work relates to the welfare of children and adults with care and support needs.

The Safeguarding Representatives from each service area of the council have been consulted on the policy. The policy will be sent to the board managers and chairs for both children and adult safeguarding boards. However as the core content of the policy has been in place for sometime already it is not anticipated that there will be any major changes arising.

Policy review and development

Because of the statutory and high risk nature of safeguarding there are a number of processes and structures in place which allow for continual learning to feed into policy and procedure development:

- Lessons learnt and findings from serious case reviews and multi-agency case audits

- Regular meetings of district safeguarding leads with the chairs and managers of the local safeguarding boards
- Regular training opportunities provided by the county council and others for all staff involved in safeguarding
- Internal district council audit
- Strategic and Corporate Safeguarding Lead officers links to Exeter Community Safety Partnership

For this reason the policy and related internal procedures will be reviewed annually or whenever there is a change in the related legislation or an emerging risk is identified.

Identified impact

The aim of the policy is to have a positive impact on children and adults with care and support needs however most of the public interest has more recently been focused on the welfare of children. This may mean that awareness of safeguarding adults (and the duties contained in the Care Act 2014) may be low among staff. Training and awareness raising may be needed to increase emphasis on this issue.

Staff who have been in post a long time may become desensitised or over sensitive to the issues. While targeted training and promotion may address the former, the latter will need to be addressed by staff welfare programmes.

The Policy will be publicly available and can be translated into different languages and formats on request.

The Policy covers cultural or religious issues such as forced marriage and FGM which have an impact on young people. However it does not make clear that, while cultural differences are to be taken into account in assessing the needs and circumstances of children, young people and their families, these are not to be used as an acceptable reason for any form of child abuse or neglect. This will need to be picked up in training and procedural documents.

The policy covers domestic abuse which has a disproportionate impact on women.

Actions

Further staff training on cultural diversity as well as specific issues related to safeguarding such as mental health, FGM, forced marriage, domestic abuse and modern slavery to be developed.

September 2018

REPORT TO: CORPORATE SERVICES SCRUTINY COMMITTEE

Date of Meeting: 22 NOVEMBER 2018

REPORT TO: EXECUTIVE

Date of Meeting: 11 DECEMBER 2018

REPORT TO: COUNCIL

Date of Meeting: 18 DECEMBER 2018

Report of: Bindu Arjoon - Director
Title: Council Tax Support scheme 2019/20

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 is presented to seek members' views on the local Council Tax Support (CTS) scheme for working age residents for 2019/20. The local CTS scheme started in April 2013 and members are required to agree the scheme rules annually.

2. Recommendations:

- 2.1 That Corporate Services Scrutiny supports the scheme for 2019/20 to continue without substantive changes from the current year scheme.
- 2.2 That Executive supports the scheme for 2019/20 to continue without substantive changes from the current year scheme.
- 2.3 That Council approve the scheme for 2019/20 to continue without substantive changes from the current year scheme.

3. Reasons for the recommendation:

- 3.1 Universal Credit Full Service began rollout in Exeter from September 2018. The impact of this major reform is not yet known and it is too soon to determine how the CTS scheme should change in response.
- 3.2 The precepting authorities are not asking for savings to be made from the scheme costs. There is recognition that further reducing support to these households will have a detrimental impact on collection rates.
- 3.3 There has been little in the way of significant welfare reform from central government in the past 12 months. There is therefore no need to align our local scheme with national changes.

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

A more generous scheme of CTS reduces the amount of Council Tax which is billed to residents and therefore available for collection. A less generous scheme increases the amount of billed Council Tax however this then needs to be collected from low income households.

5. Section 151 Officer comments:

The section 151 Officer agrees that the timing of the roll out of Universal Credit means that it is prudent to not make changes to the scheme this year. Adopting this policy will therefore continue the current level of support and associated costs.

6. What are the legal aspects?

Paragraph 5 of Schedule 1B to the Local Government Finance Act 1992 requires billing authorities to adopt a Council Tax Support scheme each year, no later than 31 January.

7. Monitoring Officer's comments:

This report raises no issues for the Monitoring Officer

8. Report details:

8.1 Exeter City Council's local Council Tax Support scheme has been in place since national Council Tax Benefit was abolished in April 2013. Rules for pensioners are set nationally, leaving discretion for local rules for working age customers. The scheme agreed by Exeter City Council from April 2013 was based on the old Council Tax Benefit scheme with the following key changes:

- Maximum support limited to 80%
- Capital limit reduced to £6,000
- Introduction of an Exceptional Hardship policy

This scheme remained unchanged between April 2013 and April 2017.

8.2 In April 2017 the Council introduced a number of changes to the scheme for working age customers. These changes were intended to align with changes introduced in nationally determined benefits such as Housing Benefit, Universal Credit, Employment and Support Allowance and Council Tax Support for pensioners. The changes introduced were:

- Using a minimum income for self-employed earners after 1 year's self-employment
- Reducing backdating to 1 month and allowing claims from newly liable customers
- Reducing the period for which a person can be absent from Great Britain and still receive Council Tax Support to 4 weeks
- Removing the Work Related Activity Component in the calculation of the entitlement for new applicants
- Removing entitlement to the Severe Disability Premium where another person is paid Universal Credit (Carers Element) for looking after them
- Removing entitlement to the additional earnings disregard for Universal Credit customers in work

- 8.3 At October 2018 there were 7544 households receiving Council Tax Support from Exeter City Council at a total cost of £6.3m. Of this total, 42% of households and 48% of expenditure was for pensioner cases. The scheme for pensioners is set by Central Government and we have no say over the level of support given.
- 8.4 Universal Credit Full Service arrived in Exeter on 26th September 2018. It replaces six working age welfare benefits, combining them into a single monthly household payment. Ultimately the majority of our 4392 working age Council Tax Support customers will be receiving Universal Credit. Reliable estimates for how quickly cases will move to Universal Credit are hard to make, however our best projections indicate that, by October 2019, 1400 of our CTS customers could be receiving UC.
- 8.5 Universal Credit entitlement is calculated each month based on the customer's circumstances in the month just passed. Any changes in the customer's financial or household circumstances in the previous month will result in a revised UC award. The details of this new award will be sent to us automatically. Our current working age CTS scheme requires that we reassess their CTS award based on this new income, even where the difference is minimal. This new assessment will result in a new Council Tax demand notice being issued and reset any recovery action in place on earlier bills.
- 8.6 By October 2019 we could be receiving 1000 notices each month for Universal Credit customers. The work generated by this new demand will mean the Benefits and Welfare team will be adjusting many more awards of Council Tax Support much more frequently. The Payments and Collection team will face a challenge in recovering Council Tax balances which change repeatedly, resetting payment arrangements and recovery action. The customer will be faced with uncertainty from one month to the next and will be much more likely to accrue Council Tax arrears through no fault of their own.
- 8.7 We are working with other authorities through the Devon Revenues and Benefits Officers Group to look at the best way to align Council Tax Support Scheme rules with Universal Credit. Any changes proposed will need to achieve a fair outcome for customers as well as achieving significant efficiency savings in the administration of the scheme and maximising recovery.
- 8.8 When changes are made to the CTS scheme they will need to work, so far as possible, with the information that comes through from DWP. As Universal Credit rolls out we are looking at exactly what information is received for these cases and how this can be incorporated into a new scheme. It is too early to make any recommendations for changes as a result of Universal Credit, however we hope to be in position to recommend changes for 2020 or 2021.

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

The Council Tax Support scheme supports Exeter's communities and neighbourhoods by helping low income residents afford their Council Tax liability. The Exceptional Hardship policy strengthens this support by ensuring that the scheme rules do not cause inadvertent hardship in individual cases.

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

Maintaining the scheme unchanged for the upcoming year will mean a full year of running a CTS scheme which does not work well with Universal Credit and carries a risk that the collection rate for these customers will be adversely affected. However changing the scheme before we understand the best way to align with UC risks causing far more disruption to current recovery work.

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?

An Equality Impact Assessment accompanies this report. Members are requested to have read this assessment.

12. Are there any other options?

Council can choose to make changes to the scheme from April each year. To comply with the legal requirements highlighted in section 6 above, any changes must be subject to consultation with precepting authorities and the public before implementation.

Bindu Arjoon
Director

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

Background papers used in compiling this report:-

None

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Room 2.3
01392 265275



Council Tax Support

Equality Impact Assessment

October 2018

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Version history

1	June 2013	To accompany new scheme
2	October 2016	Major revision to incorporate proposed changes
3	October 2017	Revised for adopted changes April 2017 and updated caseload demographics
4	October 2018	Updated caseload

Background

Exeter City Council introduced a local Council Tax Support scheme in April 2013 to replace the national Council Tax Benefit. Since then the scheme has been updated annually to reflect changes in benefit rates. More significant changes were made to the working age scheme from April 2017 to help align areas of the scheme with changes in Housing Benefit and Universal Credit.

In preparing this assessment regard has been had to the policy paper issued by DCLG in 2014, *“Localising Support for Council Tax. Vulnerable people – key local authority duties.”*¹

The scheme for pensioners continues to be prescribed nationally with entitlement protected at current levels. No changes are proposed to the working age scheme for 2019/20.

Timescale

Schemes for working age customers must be set each year by a meeting of the full Council. The agreed scheme comes into force on 1 April and must be agreed before 31 January of that year. If changes to the scheme are proposed then a period of public consultation must be held prior to the decision being made.

Financial impact – Exeter City Council & Council Tax preceptors

The grant allocation for Council Tax Support is no longer identified separately; funding is included within the Formula Grant. It is for Billing Authorities to determine their working age schemes and calculate the cost of providing support at the chosen level. In order to make financial savings from the scheme, reductions must be made to the support for working age claimants.

Maintaining support at a higher level means less money is charged to Council Tax payers receiving Council Tax Support. This means less money can be collected to be spent on services by Devon County Council, Exeter City Council, Devon & Cornwall Police and Devon & Somerset Fire & Rescue Service.

Reducing support for low income households increases the amount of Council Tax charged. This only translates into increased income for the authority and preceptors once it has been collected.

Data used in this report

The figures within this report are based on an extract from the Council Tax Support processing system on 16 October 2018. As caseload and expenditure fluctuate throughout the year it is not possible to be certain of the final figures until the end of the financial year.

Not all characteristics are recorded (and therefore available for this analysis) in every individual case; for example a disability characteristic does not always affect the amount of a CTS passported award.

This impact assessment will be reviewed annually when the scheme for the following year is agreed, to ensure that any changes to equality issues within the scheme are addressed effectively. The data used may also change to reflect the caseload fluctuations as stated above.

¹ <https://www.gov.uk/government/collections/localising-council-tax-support>

Financial impact – Claimants

Exeter currently has 4292 Council Tax Support claimants below the age where the pensioner scheme would apply. The locally determined scheme only affects claimants in the working age group.

Age	Cases	% of CTS caseload	Change since 2013
Working age	4392	59%	-18%
Pensioner age	3092	41%	-25%
Total	7484	100%	-21%

Overall caseload numbers have declined steadily since the introduction of Council Tax Support in April 2013. The mix between working age and pension age customers has remained fairly stable throughout.

April 2013	Cases	% of CTS caseload
Working age	5398	57%
Pensioner age	4101	43%
Total	9499	100%

Protection of vulnerable customers

Central Government does not prescribe any specific groups within the working age caseload who must be given particular protection in a local scheme. They do however highlight our existing duties in relation to¹:

- The public sector Equality Duty (The Equality Act 2010)
- The duty to mitigate effects of child poverty (The Child Poverty Act 2010)
- The duty to prevent homelessness (Housing Act 1996 & Homelessness Act 2002)
- The Armed Forces covenant

Additionally Government expect local schemes to support the operation of work incentives in the wider welfare reform agenda.²

Protections in the previous CTB scheme

Council Tax Benefit existed as a national scheme to provide assistance to low-income taxpayers since the introduction of Council Tax in 1993 until April 2013. It was a mature, robust and complex legislative system with protections for vulnerable groups built in. It has been subject to repeated legal challenge ensuring it generally satisfies equality duties.

The structure of the means test ensured that vulnerable groups were recognised and protected. Specifically, this worked in the following ways:

- Personal allowances were increased for families and all additional children
- Additional premiums for disabled household members and carers
- Income disregards for certain disability benefits, child benefit and child maintenance

² *Localising Support for Council Tax. Taking work incentives into account*, DCLG, May 2012

- Earned income disregards; higher rates applied for full time work, disabled workers, certain part-time emergency workers and lone parent workers
- Childcare costs disregarded for workers with children
- Local disregard of War Pension income

Preserving the CTB means test in our local CTS scheme since 2013 has maintained the protections and work incentives that have been refined over many years. At its meeting of 13 December 2016³ Exeter City Council rejected proposals to introduce changes from April 2017 which would have undermined the protections for families with dependent children.

Exceptional Hardship policy

Since the introduction of our local Council Tax Support scheme in April 2013 we have operated an Exceptional Hardship policy. This flexible scheme allows us to provide additional support to vulnerable customers who find themselves unable to afford their liability under the rules of the CTS scheme. An award of Exceptional Hardship can reduce a customer's liability to nil. The policy was revised from April 2017 to ensure it can assist vulnerable customers adversely impacted by changes made to the CTS scheme.

It is a sensible approach to use Exceptional Hardship to deal with complex situations and recognise extra need in individual cases. Inserting legally complex exemptions into the main CTS scheme for groups which are hard to define risks not helping the right people. If clearly defined groups can be identified then a more reasonable approach may be to introduce an exemption into the scheme rules. By reviewing those who are applying for extra help or are identified as struggling to pay we continue to build this picture.

Changes to the scheme from April 2017

A number of changes were made to the scheme for working age customers

Minimum Income Floor (MIF) for self-employed claimants

Minimum Income Floor (MIF) for self-employed claimants	Working age		
	Total	Count (Affected)	Percentage
Affected by MIF	4292	300	7.0%
Dependent children	1773	219	12.4%
Lone parent	1302	120	9.2%
Carers premium	288	5	1.7%
Disability premium, disabled child or Severe Disability Premium	2259	25	1.1%
Carers and disability premiums	395	18	4.6%

From April 2017 a change to the local scheme was introduced for self-employed claimants, mirroring rules already in place in Universal Credit. This assumes a notional income after one year of trading, where affected customers are treated as

³ <https://exeter.gov.uk/council-and-democracy/councillors-and-meetings/meetings-agenda-and-minutes/>

having an income equal to 35 hours work at the National Living Wage (National Minimum Wage for under 25s).

It is possible that parents may find the extra flexibility afforded by running their own business preferable to taking up employment. Similarly those with caring responsibilities or a disability may find self-employment more sustainable than paid work. It is important that the limitations these groups may face in working the assumed number of hours is recognised. This is achieved by the granting of extra help through the Exceptional Hardship scheme where individual circumstances show there is a need.

Additional earnings disregard in Universal Credit

From April 2017 the additional earnings disregard was removed for customers who are working while in receipt of Universal Credit. The disregard is worth up to £3.42 CTS weekly. There are currently 30 Universal Credit customers in receipt of CTS who may have received the additional earnings disregard before the change. The average affected household would have to pay an extra £2.60 weekly towards their Council Tax bill. Once a customer is earning sufficient to not be entitled to Universal Credit, the additional disregard can be applied as currently.

The additional hours disregard is linked to the number of hours a customer works and was tied to the equivalent addition in Working Tax Credit. The disregard / addition does not form part of Universal Credit calculation. When the assessment of earned income is undertaken by the local authority, the number of hours worked is available and relevant to the calculation of Housing Benefit or CTS. For Universal Credit cases the assessment of earnings is undertaken by DWP staff. The basis of this calculation is not always identifiable and is generally based on a past period. Obtaining reliable information on the number of hours worked for the relevant period is not often possible and applying these from a monthly award of Universal Credit to a weekly calculation of CTS results in inconsistent treatment of income and disregards.

Although there is the potential for this change to weaken work incentives, it is considered likely to have a minimal impact against the incentives to increase earning under Universal Credit.

Backdating

The maximum period a claim can be backdated was reduced from six months to one month in April 2017. At the same time a new rule was introduced allowing a new claim for CTS to be linked to the date a first bill was issued. In 2015/16 the reduced backdating period would have affected 24 claims. Backdating is allowed for a number of reasons and can apply to claimants in any of the groups discussed in this impact assessment. The change aligned rules with Housing Benefit. With such low numbers affected any difficult cases can be managed through the Exceptional Hardship policy. In the first 6 months of this change there have been no cases referred for consideration of exceptional help.

Absence outside GB

The period a claimant can be away from their home has been limited to four weeks where this absence is outside Great Britain. No data is recorded on length of absences or destination so it is impossible to say how many people have been affected by this change. It is likely that the effects of this change will be felt more by non UK nationals and those with family outside the country (and therefore a greater need to travel abroad) than those with no links outside the country. It follows that there may therefore be a higher than average impact on minority ethnic groups. No data is held on these characteristics and therefore the scale of this impact cannot be

confirmed. Aligning rules with those already in place in Housing Benefit includes the easements for the deaths of close relatives. The change is likely to affect very few people overall and any difficult cases can be well managed through Exceptional Hardship awards.

Effect of the scheme on particular groups

Primary benefit

Council Tax Support largely retains the means-test calculation from Council Tax Benefit. Entitlement to certain primary benefits, awarded by Department for Work and Pensions, passports the customer through the CTS means test. In these cases, as a full means test is not required, we do not necessarily hold detailed income and household information. Customers will normally be entitled to receive the maximum award of CTS. This may be reduced for other adults living in the property.

Overall more than 67% of CTS customers are in receipt of a primary benefit; this rises to nearly 72% of working age customers. Since the introduction of Universal Credit, new claims for JSA have instead been claims for UC. These customers are not passported to full CTS under the local scheme so are not included in the figures below.

Primary benefit	All CTS cases		Working age		Pensioner	
	Count	%	Count	%	Count	%
Income Support	652	8.7%	652	14.8%	N/A	N/A
Jobseekers Allowance Income Based	282	3.8%	282	6.6%	N/A	N/A
Employment and Support Allowance Income Related	2210	29.5%	2210	51.5%	N/A	N/A
Pension Credit Guarantee Element	1885	25.2%	N/A	N/A	1885	58.1%
Universal Credit	97	1.3%	97	2.2%	N/A	N/A
Standard (no primary benefit)	2358	31.5%	1151	26.9%	1207	37.2%
Total	7484		4392		3092	

Family characteristic

Local Authorities are under a duty to reduce and mitigate the effects of child poverty in their area. The proportion of cases where a child is present in a household subject to the local scheme rules is higher than within the overall CTS caseload. This is to be expected as generally more children in the CTS caseload are resident in working age households than pensioner households and pensioner households are protected by national rules.

Family characteristic	All CTS cases		Working age		Pensioner	
	Count	%	Count	%	Count	%
Single	4871	65.1%	2343	53.3%	2528	81.8%
Couple with no children	874	11.7%	296	6.7%	548	17.7%
Lone parent	1259	16.8%	1257	28.6%	2	0%
Couple with children	480	6.4%	496	11.3%	14	0.5%

Total	7484		4392		3092	
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The means test in CTS ensures that households with children keep more income before their awards are affected than a similar household with no children.

Single parent households

Single parent household	All CTS cases		Working age		Pensioner	
	Count	% of CTS claimants	Count	% of total working age claimants	Count	% of total pension age claimants
Female	1198	16%	1197	27.3%	1	0%
Male	61	0.8%	60	1.4%	1	0%
Total	1259	16.8%	1257	28.6%	2	0%

As would be expected the proportion of lone parent households subject to the local scheme is higher than the overall caseload of lone parent cases. This is because the majority of lone parent claimants are working age. Female lone parents account for nearly 95% of our lone parent claimants. This group is highlighted in The Fawcett Society briefing paper as being “a group more likely to live below the poverty line”.⁴

It is likely that this group is further disadvantaged in the employment market because of their caring responsibilities dictating the hours & type of work they can reasonably undertake. The added difficulties this group may face increasing their income is taken into account when considering Exceptional Hardship claims.

Single person households

Single person household	All CTS cases		Working age		Pensioner	
	Count	% of CTS claimants	Count	% of total working age claimants	Count	% of total pension age claimants
Female	2889	38.6%	1119	25.5%	1770	57.2%
Male	1982	26.5%	1224	27.9%	758	24.5%
Total	4871	65.1%	2343	53.3%	2528	81.7%

Single person households may also face a greater challenge increasing their income or managing additional expenditure than households with more members who can contribute. The proportion of single person households subject to the local scheme rules is lower than in the overall CTS population.

⁴ <http://fawcettsociety.org.uk/documents/The%20Impact%20of%20Austerity%20on%20Women%20-%2019th%20March%202012.pdf>

Summary table – family characteristics

Age	Neutral impact - it does not affect	Negative impact - it could disadvantage	Reason
Older people (born before 6 July 1953)	✓		Older people cannot be affected by the local CTS scheme. Their rules continue to be set by Central Government.
Younger people (born from 6 July 1953)		✓	All of the current 4,292 working age claim households are asked to pay more towards their Council Tax under local scheme rules than the national benefit it replaced.
Under 18s	✓		Will not be liable for Council Tax and therefore unaffected.
Single people under 25		✓	The local scheme does not distinguish on claimant age within the working age claimant group. However all working age claimants are expected to pay at least 20% of their liability.
Dependent children in household		✓	The means test allows additional amounts for each child in the household. Households with children are subject to the same minimum payment as all working age households.

Gender

Gender	All CTS cases		Working age		Pensioner	
	Count	%	Count	%	Count	%
Male	2043	27.3%	1284	29.2%	759	24.5%
Female	4087	54.6%	2316	52.7%	1771	57.3%
Couples	1354	18.1%	792	18%	562	18.2%
Total	7484		4392		3092	

No gender group is treated differently by the local scheme. However, as there are relatively more in the caseload, a larger number of single females in Exeter are subject to the locally determined Council Tax Support scheme.

Independent research also highlights the effect that the wider welfare reform changes will have on women:

“The Fawcett Society is extremely concerned about the impact of austerity on women’s equality in the UK. Our analysis - and the conclusions of independent research bodies and academics - has highlighted that the cumulative effect of fiscal measures taken to reduce net public spending will

have a disproportionate effect on women, making many women poorer and less financially autonomous. The knock-on effects of this will be to turn back time on a range of indicators of women’s rights and equality.

The Fawcett Society has highlighted that women face a triple jeopardy: women are being hit in three key ways a result of the deficit-reduction measures:

1. Women are being hit hardest by cuts to public sector jobs, wages and pensions.
2. Women are being hit hardest as the services and benefits they use more are cut.
3. Women will be left ‘filling the gaps’ as state services are withdrawn.”⁵

The report shows the current position of economic indicators highlighting that equality for women still falls below equivalent measures for men in areas such as full time pay, low paid work, ethnicity & poverty, personal pensions, lone parents and childcare.

Tenure type

Tenure type	All CTS cases		Working age		Pensioner	
	Count	%	Count	%	Count	%
Council Tenant	2629	35.1%	1651	37.6%	978	31.6%
Private Rented	3445	46%	2446	55.7%	999	32.3%
Owner Occupier	1410	18.8%	295	6.7%	1115	36.1%
Total	7484		4392		3092	

Tenants in both the private and social sectors may have also seen reductions in the amount of Housing Benefit available to them as a result of other welfare reforms. This includes the social sector size restriction, household benefit cap (reduced further from November 2016), freezes to Local Housing Allowance (LHA) rates. Still to come are the restriction of new social tenancies to the LHA rate and the replacement of Housing Benefit with Universal Credit Housing Costs. These households could therefore face multiple pressures on their budgets. 93% of those subject to local scheme rules also have a rent liability. This compares to 81% of the total CTS caseload as proportionally more pensioner CTS claimants own their home.

Disabilities and carers

Within the means test in CTS extra amounts are given for disabilities or caring responsibilities of a household member. This recognises the extra expense that can be involved in these circumstances. The scheme also operates a number of disregards where the extra benefits paid for disability are not taken into account in the means test.

Awards of the extra amounts in the CTS calculation (referred to as “premiums”) is based on set criteria and is often tied to receipt of a qualifying benefit. Figures below include households receiving any of the following premiums:

- Disability Premium
- Enhanced Disability Premium
- Severe Disability Premium

⁵<http://fawcettsociety.org.uk/documents/The%20Impact%20of%20Austerity%20on%20Women%20-%2019th%20March%202012.pdf>

- Disabled Child Premium
- Carers Premium

In cases where the household receives a passported benefit (Income Support, Income Based Jobseekers Allowance, Income Related Employment and Support Allowance, Guarantee Pension Credit) we do not necessarily hold information on disability or carer status. The figures below should therefore be taken to indicate “at least” this many households.

More than one of the disability premiums can be awarded to the same household where applicable. The tables below also highlight households receiving one or more of the Disability Premium and the Carers Premium together. These households are also included in the appropriate Disability premiums or Carers Premium figures.

Disability premiums

Disability premiums	All CTS cases		Working age		Pensioner	
	Count	% of CTS claimants	Count	% of total with a disability premium	Count	% of total with a disability premium
Couple	507	24.8%	466	58.8%	41	5.4%
Female	1432	35%	1007	43.5%	425	24%
Male	916	44.8%	728	56.7%	188	24.8%
Total	2855	38.1%	2201	50.1%	654	21.2%

Carers

Carers	All CTB cases		Working age		Pensioner	
	Count	% of CTS claimants	Count	% of total carers	Count	% of total carers
Couple	450	33.2%	313	39.5%	137	24.3%
Female	255	6.2%	229	9.9%	26	1.5%
Male	42	2%	36	2.8%	6	0.8%
Total	747	9.9%	512	11.7%	169	5.5%

Disability and carer premiums

Disability and carer premiums	All CTB cases		Working age		Pensioner	
	Count	% of CTS claimants	Count	% of total with	Count	% of total with
Couple	311	15.2%	290	36.6%	21	3.7%
Female	141	3.4%	134	5.8%	7	0.4%
Male	16	0.8%	15	1.2%	1	0%
Total	468	6.3%	439	10%	29	1%

Summary table - disabilities

	Neutral impact - it will not affect	Negative impact - it could affect	Reason
Physical		✓	Ability to travel to make payments. Potentially less able to use online or telephone methods for payment and advice. Potential inability to increase income.
Sensory		✓	Potential difficulties accessing Council in person or by online / telephony routes for payments and advice. Potential inability to increase income.
Learning		✓	Ability to access and understand information advising of the charge. Potential difficulties accessing Council in person or by online / telephony routes for payments and advice. Potential inability to increase income.
Mental health		✓	Ability to access and understand initial information advising of the charge. Potential difficulties accessing Council in person or by online / telephony routes for payments and advice. Potential inability to increase income.

Work status

Work status	All CTB cases		Working age		Pensioner	
	Count	%	Count	%	Count	%
Working	837	11.2%	802	18.3%	35	1.1%
Not working	6647	88.8%	3590	81.7%	3057	98.9%
Total	7484		4392		3092	

Local schemes are expected not to discourage claimants from taking up employment or increasing hours of work. A higher proportion of households subject to the local scheme rules are in work compared to the overall CTS population. This is to be expected if most working households are in the working age population rather than the pension age population (who are protected by national rules).

Other protected characteristics

ECC Benefits Service do not hold data for race, sexual orientation, religion or belief. The scheme is designed to treat all claimants equally based on their household and financial circumstances without discrimination. As we do not hold data on characteristics which are not relevant to the calculation of support, it is impossible to say whether scheme rules may unintentionally have disproportionate impacts on these groups.

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REPORT TO: CORPORATE SERVICES SCRUTINY COMMITTEE

Date of Meeting: 22 NOVEMBER 2018

REPORT TO: EXECUTIVE

Date of Meeting: 11 DECEMBER 2018

REPORT TO: COUNCIL

Date of Meeting: 18 DECEMBER 2018

Report of:

Bindu Arjoon - Director

Title:

Council Tax Long Term Empty Premium 2019/20

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?

This report is presented to seek members' views on the Government proposal to allow Local Authorities to increase the Council Tax Long-Term Empty Premium from a maximum of 50% to a maximum of 100%. This will affect properties that have been empty for 2 or more years.

2. Recommendations:

- 2.1 That Corporate Services Scrutiny supports the adoption of the increase in the Council Tax Long-Term Empty Premium from 50% to 100% from the 1 April 2019 assuming the relevant primary legislation is in place.
- 2.2 That Executive supports the adoption of the increase in the Council Tax Long-Term Empty Premium from 50% to 100% from the 1 April 2019 assuming the relevant primary legislation is in place.
- 2.3 That Council adopts the increase in the Council Tax Long-Term Empty Premium from 50% to 100% from the 1 April 2019 assuming the relevant primary legislation is in place.

3. Reasons for the recommendation:

- 3.1 The Council is committed to reducing the number of empty homes. The 100% premium could be an important tool in achieving this aim. Although the increase in income to the Council through increasing the premium from 50% to 100%, would be negligible (< £5,000), the focus of this initiative is to encourage owners of empty homes to bring their properties back into use.
- 3.2 There are currently just over 200,000 long-term empty dwellings in England, compared to 300,000 in 2010. The number has reduced since 2013, when councils were given

powers to charge a 50% premium, indicating that applying a premium has been a successful incentive in tackling empty homes.

- 3.3 Through the New Homes Bonus scheme introduced in 2011, the Council can earn the same financial reward for bringing an empty home back into use as for building a new one. Therefore this initiative could assist in attracting more New Homes Bonus if it is successful in bringing more empty homes back into use.

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

Any increase to the premium could generate additional correspondence and telephone calls from those customers affected. However, it is expected that this work would be absorbed within the general work of the Council Tax Section. Capita, the software providers for the Council Tax System, will carry out the required changes to allow the increased premium to be applied. The increase in income to the Council, should a 100% premium be agreed, will be approximately £4,230.

5. Section 151 Officer comments:

The proposal is noted, although the financial benefit to the Council is small. Clearly there are other non-financial benefits to this proposal, which raises no issues of concern for the section 151 Officer.

6. What are the legal aspects?

The administration and collection of Council Tax is a statutory function of the Council. The level of premium available to local authorities is set down in primary legislation and can be changed only through primary legislation. The Rating (Property in Common Occupation) and Council Tax (Empty Dwellings) Bill was introduced on 28 March 2018 and is currently making its way through Parliament and will enable this change. Clause 2 of the Bill makes amendments to section 11B of the Local Government Finance Act 1992. Subsection (2) specifies that the change will take effect from 1 April 2019.

7. Monitoring Officer's comments:

This report raises no issues for the Monitoring Officer

8. Report details:

- 8.1 Since 1 April 2013, local authorities in England have been able to charge a premium of up to 50% on long-term empty properties, which are defined as properties which have been unoccupied and substantially unfurnished for over two years. The premium is in addition to the usual council tax charge that applies to the property.

- 8.2 In the 2017 Autumn Budget, the Government promised to legislate to give local authorities the power to charge a premium up to 100% on long-term empty properties, and the Rating (Property in Common Occupation) and Council Tax (Empty Dwellings) Bill is the result of this promise. The Bill increases the premium's maximum level to 100%, however decisions on whether to apply a premium, and the exact rates to be charged, will remain a matter for individual local authorities, taking into account local circumstances, such as the number of empty properties and housing supply and demand.

- 8.3 The drivers behind the Bill are:
1. There are currently more than 200,000 properties standing empty in England.
 2. Empty properties attract squatters, vandalism and anti-social behaviour; can be a blight on the local community; and can affect the value of the properties around them.
 3. When 1.6 million households are on social housing waiting lists, long-term empty properties are a wasted resource.
- 8.4 Recognising that a one-size-fits-all approach is inappropriate, given that different areas will have different housing needs and different numbers of long-term empty homes, the Government's intention is to keep the premium as a discretionary discount, allowing local authorities to decide whether it is appropriate for their areas, and what level of premium should be charged.
- 8.5 Doubling the amount of the premium will allow local authorities to strengthen the incentive for owners of empty homes to bring them back into use. However guidance published in 2013, reminds local authorities to take into account the reasons why a property is empty, making clear that the premium should not be used to penalise owners of homes that are genuinely on the market for rent or sale.
- 8.6 The Government do not propose to change the qualifying period of two years believing it strikes a balance between providing a strong incentive for bringing empty homes back into use, and giving home-owners sufficient opportunity to sell or rent out their properties, or to complete any major renovations that might be required.
- 8.7 The Council Tax system provides statutory exemptions for properties left empty for a specific purpose such as when a person goes into care. Local Authorities also have powers to apply discretionary discounts in cases where homes are empty due to special circumstances such as fire, flooding or hardship. By law, the premium cannot apply to homes that are empty due to the occupant being in armed forces accommodation for job-related purposes, or to annexes being used as part of a main property. Members may wish to consider whether there are other circumstances in which they would not wish to levy the premium.
- 8.8 When the premium was first introduced in April 2013, the Council had 223 long term empty properties and of these 61 had been empty for more than 2 years. There are currently 71 properties that are subject to the 50% Premium for being empty for more than 2 years:

Band A - 21
Band B - 26
Band C - 13
Band D - 3
Band E - 2
Band F - 3
Band G - 1
Band H - 2

As the Council's share of Council Tax income is only 8.56%, the increase in income to the Council, should a 100% premium be agreed, will be approximately £4,230.

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

Through contributing to building great neighbourhoods. This initiative could assist in achieving the goal of a home for every resident. It also contributes to the Empty Homes Strategy of bringing back into use long-term empty properties.

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

The Bill will not bring any additional properties within scope of a long-term empty homes premium. The only change is that these properties could be subject to a premium of up to 100% rather than 50%. The qualifying period remains at two years.

Only 71 properties are currently subject to a Long-Term Empty Premium. It could reasonably be expected that some of those owners affected by the increase would contact the Council because of potential financial issues in paying the Council Tax due. However, this could be an opportunity to engage with them regarding how the property could be brought back into use.

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?

The intention of raising the premium that can be applied to long-term empty homes, is to bring more empty homes back into use, which will have a positive impact on community safety and the environment.

12. Are there any other options?

As the decision on whether to apply a premium, and the exact rates to be charged, is for the Council to decide, the Long Term Empty Premium could remain at 50% or be applied at a different rate up to a maximum of 100%.

Bindu Arjoon
Director

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

Background papers used in compiling this report:-

None

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