

EXECUTIVE

Date: Tuesday 10 September 2019
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 John Street, Corporate Manager Democratic & Civic Support on 01392 265106.

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

Membership -
Councillors Bialyk (Chair), Sutton (Deputy Chair), Foale, Ghusain, Harvey, Leadbetter, Mitchell, K, Morse, Pearson and Wright

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 approve and sign the minutes of the meeting held on 9 July 2019.

(Pages 3 -
14)

3 Declarations of Interest

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

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

RESOLVED that, under Section 100A(4) of the Local Government Act 1972, the press and public be excluded from the meeting during consideration of items 7 and 8 on the grounds that it involve the likely disclosure of exempt information as defined in paragraphs 1, 2, 3 and 4 of Part I, Schedule 12A of the Act.

5 Citypoint - Paris Street and Sidwell Street Regeneration

To consider the report of the City Surveyor.

(Pages 15
- 24)

6 Corporate Property Health and Safety Compliance

To consider the report of the City Surveyor.

(Pages 25
- 30)

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

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

7 Advertising and Ethical Framework Adoption

To consider the report of the Director (J-PH).

(Pages 31
- 46)

8 Business Case of the Review of Staff Structure in Housing Assets

To consider the report of the Director (BA).

(Pages 47
- 92)

Date of Next Meeting

The next scheduled meeting of the Executive will be held on **Tuesday 8 October 2019** at 5.30 pm in the Civic Centre.

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

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EXECUTIVE

Tuesday 9 July 2019

Present:

Councillor Bialyk (Chair)
Councillors Sutton, Foale, Ghusain, Harvey, Leadbetter, Mitchell, K, Pearson and Wright

Apologies:

Councillor Morse

Councillors in attendance under Standing Order 44

Councillor D Moore speaking on items 7 and 15 (minutes 66 and 74 below)
Councillor Sills speaking on item 7 (minute 66 below)

Also present:

Chief Executive & Growth Director, Director (JY), Director (BA), Director (J-PH), City Solicitor & Head of HR, Chief Finance Officer, Active & Healthy People Programme Lead, Growth & Commercialisation Manager, Service Lead - Recycling, Waste and Fleet, City Surveyor and Corporate Manager Democratic and Civic Support

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MINUTES

The minutes of the meeting held on 11 June 2019, were taken as read, approved and signed by the Chair as a correct record.

The Corporate Manager, Democratic & Civic Support informed the Executive that in relation to minute number 57 (Honorary Alderman), the nomination contained therein, cannot currently proceed at the present time, due to the nominee (Mr Percy Prowse) being a Devon County Councillor, as this was contrary to the Council's scheme agreed in 2013. He informed the Executive that he had spoken with Mr Prowse who understood the situation.

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DECLARATIONS OF INTEREST

No declaration of disclosable pecuniary interests were made.

64

ENVIRONMENTAL HEALTH & LICENSING STATUTORY SERVICE PLAN

The Executive considered a report, which had already been presented to Place Scrutiny Committee on 13 June 2019 and set out the Council's regulatory function in respect of food safety, health and other licensing, environmental permitting and other statutory functions over the forthcoming year. Members' attention was drawn to the detailed minutes of Place Scrutiny which had been circulated.

The Leader made particular reference to the amount of work this service undertakes on behalf of the Council, and wished to place on record his thanks to the staff for the excellent service they provide.

RECOMMENDED that Council approves:-

- (1) The Statutory Service Plan 2019/20; and
- (2) The Environmental Health and Licensing Manager being authorised to change the Statutory Service Plan in the light of centrally issued guidance and/or to meet operational needs.

65

IN EXETER BUSINESS PLAN 2020-2025

The Executive considered a report, which had already been presented to Place Scrutiny Committee on 25 June 2019 and set out the process and proposals for a second term of InExeter Business Improvement District (BID), as well as a five year business plan. Members' attention was drawn to the detailed minutes of Place Scrutiny which had been circulated.

Particular reference was made to:-

- The extension of the BID area (at the request of businesses in the proposed extended areas);
- The additional cost to the City Council as a consequence of the extension to the BID area;
- The increase in the BID levy to 1.25% (from 1%);
- The intention to charge the true cost of collecting the BID levy; and
- The important role that the BID had in focussing support for businesses in the City Centre.

RECOMMENDED that:-

- (1) The City Council votes in favour of continuing the InExeter Improvement District (BID) for a second term, covering the period 2020-2025;
- (2) The City Council casts its votes in favour of continuing the BID in the forthcoming ballot in October 2019;
- (3) Council approve a budget of £5,000 to undertake the ballot to be funded from General Fund reserves;
- (4) The Portfolio Holder for Environment & City Management be appointed to sit on the InExeter Board, with the support of the Growth & Commercialisation Manager, to oversee the interests of the City Council and wider city centre, through activity undertaken by InExeter;
- (5) The BID boundary be extended to include businesses located on Magdalen Road, at the request of the businesses association and businesses located on Magdalen Road;
- (6) The City Council charge a true cost of supporting InExeter in collecting the BID levy, calculated at £12,000 + VAT per annum (from £1,500 + VAT per year); and
- (7) The Growth & Commercialisation Manager draw up contingency plans, to be implemented in the result of a no vote in October 2019.

TOWARDS CARBON NEUTRAL EXETER

The Executive received a report, which had already been considered at its previous meeting, prior to being presented to Place Scrutiny Committee on 18 June 2019, which concerned the approach to enable the city to become carbon neutral by 2030. Members' attention was drawn to the detailed minutes of the Place Committee on 18 June, which had been circulated.

During discussion, the following points were raised:-

- The consideration by Place Scrutiny Committee of the report, and its support of the recommendations contained therein, together with two additional recommendations relating to biannual Special meetings of the Scrutiny Committee to discuss progress towards the Council's objective; as well as a request for council reports to include a section detailing progress and impact on working towards this goal;
- The accountability relationships between Exeter City Futures and the City Council ensuring that it is managed and scrutinised appropriately;
- The involvement of communities in helping the City Council achieve its goals;
- The potential for the inclusion of biodiversity in the Council's goals;
- Members were reminded of the amount of work which the Council had already undertaken in driving towards its carbon neutral goals;
- A recognition that the Council's and community's ambitions must be considered alongside the resources available to the Council, Exeter City Futures and its partners and how these must be tempered accordingly;
- No-one should be in any doubt as to the ambition of the City Council to achieve this, but that a roadmap setting out how this could be realistically achieved is needed as soon as practicably possible so that the appropriate planning can be undertaken;
- The list of current members of the ECF CIC Partner Network which was provided in the circulated report;
- The list of the 12 Goals of EFC which were appended to the circulated report, and which would be reviewed following the comments made during the Council's consideration of this matter.

RECOMMENDED that:-

- (1) Exeter City Council declare a 'Climate Emergency';
- (2) The carbon neutral target for Exeter is framed in a way that links to wider regional targets. This shows Exeter's intention to decrease its emissions without increasing emissions in the wider region;
- (3) Exeter City Council commit to its operations becoming carbon neutral ahead of the 2030 date and mobilise resources to develop internal plans to deliver the target;
- (4) A "Carbon Neutral Delivery Team" be convened by Exeter City Futures Community Interest Company (ECF CIC) to establish a city plan for delivery that builds on the Energy Independence Roadmap produced by ECF CIC and uses the 12 Goals as the basis of the approach. The Carbon Neutral delivery team will:
 - o Draw together existing evidence and data to establish baseline state of the city presented under each of the 12 Goals;

- Conduct a full audit of the city to highlight gaps between current plans and what is required to achieve carbon neutrality;
 - Define a clear city plan showing outcomes that will need to be met to deliver carbon neutrality, how existing activities support and where there are gaps;
 - Identify immediate opportunities and crucial first steps.
- (5) Resources be committed to be part of the Carbon Neutral Delivery Team and, due to the urgency required, those resources be co-located with ECF CIC to ensure that the City Council is leading by example and sharing learning with other ECF CIC Member organisations and the wider ECF CIC Partner Network;
- (6) Exeter City Futures CIC be requested to convene a “Carbon Neutral Mandate Group” through a series of summits to validate, challenge and endorse the Roadmap produced by the Carbon Neutral working group.
- (7) The work of the Devon Climate Emergency Response Group (CERG) be supported with the outcomes and recommendations noted. Exeter City Council will participate in a "People's Assembly" with the governance arrangements to be confirmed by the CERG;
- (8) A special meeting of Place Scrutiny Committee, be convened on a biannual basis, to collate and discuss all of the work by Exeter City Council in respect of Climate Change and also allow the opportunity for outside bodies to continue to update Members; and
- (9) Once the aforementioned roadmap/action plan has been received, Council reports should include an analysis of the progress and impact in working towards a Carbon neutral city goal, as they currently do for the impact on any decision in relation to equality and diversity; health and wellbeing; safeguarding children, young people and vulnerable adults; economy, safety and the environment.

67 **THE EXETER LIVE BETTER MOVE MORE PHYSICAL ACTIVITY STRATEGY**

The Executive received a report, which had already been considered by Place Scrutiny Committee on 25 June 2019 and described the results of the public consultation exercise on the draft strategy, including some proposed minor changes to the original proposals. Members’ attention was drawn to the detailed minutes of Place Scrutiny which had been circulated.

Particular reference was made to the high levels of responses received during the public consultation (some 1650), with 94% of respondents agreeing with the proposed priorities.

RECOMMENDED that Council adopts the revised Exeter Live Better and Move More Physical Activity Strategy.

68 **THE EXETER LIVE BETTER MOVE MORE DRAFT BUILT FACILITIES, PLAYING FIELDS, PITCHES, PLAY AREAS, PARKS AND OPEN SPACES STRATEGY**

The Executive received a report, which had already been considered by Place Scrutiny Committee on 25 June 2019 and described the results of the public

consultation exercise on the draft strategy, including some proposed minor changes to the original proposals. Members' attention was drawn to the detailed minutes of Place Scrutiny which had been circulated.

Particular reference was made to the setting up of a task force which would devise a strategy whereby as many residents as possible would have a suitably equipped play park within a certain distance from their home.

RECOMMENDED that:-

- (1) Council adopts the revised Exeter Live Better and Move More Built Facilities, Playing Fields, Pitches, Play Areas, Parks and Green Spaces Strategy; and
- (2) A full consultation exercise be held with local residents and stakeholders on the future use of Northbrook Approach Golf Course site.

69

COMMUNITY AND ARTS GRANT REVIEW

The Executive received a report, which had already been considered by People Scrutiny Committee on 26 June 2019 and described the public consultation on the proposed Exeter Grants Programme, highlighting feedback themes and proposing a revised grants programme to replace the current core, rent, city and grass roots grants schemes. Members' attention was drawn to the detailed minutes of People Scrutiny which had been circulated.

Particular reference was made to the high level of funding which the Council was continuing to offer (approximately £1m per annum out of a total Council budget of £12.5m), against the budgetary pressures it was facing, and that this was a sign of the council's on-going commitment to working with its communities.

RECOMMENDED that:-

- (1) Council adopts the proposed Exeter Grants Programme appended to the report presented to the meeting, and allocates a start-up budget of £30,000 from the New Homes Bonus Local Community Reserve to mobilise the new Exeter Grant Programme;
- (2) Council approves the creation of the Exeter City Fund from the sources described and notes that the extensive listening and consultation process has enabled the Council to seek views on spending priorities with regard to the Neighbourhood Portion of the Community Infrastructure Levy (CIL) 2. This is in line with CIL Regulations 2010 (Regulation 59F) and the underpinning Planning Practice Guidance (PPG Paragraph 73); and
- (3) Council approves the establishment of the Exeter Grants Panel to provide strategic oversight and leadership of the Exeter Grants Programme.

70

OVERVIEW OF REVENUE BUDGET

The Executive received a report, which had already been considered by Corporate Services Scrutiny Committee on 27 June 2019 and advised Members of the overall financial position of the Housing Revenue Account (HRA) and General Fund revenue budgets for the 2018/19 financial year. It sought approval for the General Fund working balance, HRA working balance, a number of supplementary budgets and the creation of new earmarked reserves. Members' attention was drawn to the detailed minutes of Corporate Services Scrutiny which had been circulated.

RECOMMENDED that Council notes and approves (where applicable):

- (1) That the net transfer of £1,717,058 to Earmarked Reserves as detailed in paragraph 9.3.6 of the report circulated, is approved;
- (2) That supplementary budgets of £2,344,257 be approved as detailed in paragraph 9.3.8 of the report circulated;
- (3) That Earmarked Reserves at 31 March 2019 be noted;
- (4) That the Council Tax account and collection rate be noted;
- (5) That the outstanding sundry debt, aged debt analysis and debt write-off figures be noted;
- (6) That the creditor payments performance be noted;
- (7) That by taking into account the overall financial position of the Council, the General Fund working balance at 31 March 2019, be approved at £4,395,024; and
- (8) That the Housing Revenue Account working balance at 31 March 2019 be approved at £10,025,355 and the Council Own Build working balance be approved at £274,855.

71

CAPITAL OUTTURN

The Executive received a report, which had already been considered by Corporate Services Scrutiny Committee on 27 June 2019 and advised Members of the Council's overall financial performance of the capital programme for the 2018/19 financial year and sought approval of the 2019/20 revised capital programme. Members' attention was drawn to the detailed minutes of Corporate Services Scrutiny which had been circulated.

Particular reference was made to the request for an additional budget of £10m from the capital fund to invest in potential commercial opportunities, as the previously approved budget had been used to purchase a commercial property which, it was noted, would generate income for the Council.

RECOMMENDED that Council approve:-

- (1) The overall financial position for the 2018/19 annual capital programme;
- (2) The amendments and further funding requests to the Council's annual capital programme for 2019/20; and
- (3) An additional £10 Million to allow consideration of any further potential commercial opportunities if they arise.

72

TREASURY MANAGEMENT REPORT

The Executive received a report, which had already been considered by Corporate Services Scrutiny Committee on 27 June 2019 and described current treasury management performance for the 2018/19 financial year, as well as the position of investments and borrowings as at 31 March 2019. Members' attention was drawn to the detailed minutes of Corporate Services Scrutiny which had been circulated.

Particular reference was drawn to the benefits of active treasury management especially with regards to the low levels of interest which had been paid during the year (£80,515).

RECOMMENDED that Council note the content of this report.

73

MODERN SLAVERY TRANSPARENCY STATEMENT

The Executive received a report, which had already been considered by Corporate Services Scrutiny Committee on 27 June 2019 and explained that whilst the Council did not have a statutory requirement to adopt a modern slavery transparency statement, it was considered best practice so to do. This would encourage ethical business practices and policies and would protect employees from exploitation. Members' attention was drawn to the detailed minutes of People Scrutiny which had been circulated.

Particular reference was made to the fact that once the Council had adopted this statement, all of its suppliers of goods and services would need to similarly adhere to ethical business practices and policies with this forming part of future procurement exercises.

RESOLVED that Executive approve:-

- (1) The adoption of the Modern Slavery Transparency Statement 2019-20; and
- (2) The Leader and the Chief Executive & Growth Director be authorised to update and amend the document and republish on an annual basis.

74

LIVEABLE EXETER GARDEN CITY

The Executive received a report of the Chief Executive & Growth Director which sought approval to put in place the required staffing and governance arrangements to support, direct and oversee the response to the Housing Minister's recent announcement that the Exeter and East Devon's bid under the Garden Communities programme had proved successful.

This was a transformational housing programme which would deliver 11,000 dwellings over the next 20 years and reflected the desire to increase housing provision within the established built up area of the city; to increase housing densities; and to support ambitions for active lifestyles. It very much reflected the Council's previously published aspirational document of Liveable Exeter, and focussed on supporting active travel reducing the need to travel by car, and thus prioritising pedestrians, cyclists and public transport. It also therefore mirrored the Council's aspirations for carbon neutrality as had been discussed earlier in this meeting (minute number 67 above refers).

During discussion, the following points were raised:-

- The Government's announcement of the success of the Liveable Exeter Garden City bid gave the opportunity to link many different projects together, including the Royal Institute of British Architect's award of Future Place and the Sport England delivery project. This would allow for the development of a joined up framework for development in the area;
- There would be a requirement to build a team to drive this forward, and that this would be funded from the initial £750,000 provided by the Ministry of

Housing, Communities and Local Government to support the delivery of the programme;

- The need to establish a governance structure to support this programme, which would initially be via a Steering Board, who would report to this Executive. It was noted that decision making powers for the progression of this project would continue to lie with this Council's Executive.

RECOMMENDED that:-

- (1) Council approve the creation of the Post of Project Director (Liveable Exeter Garden City);
- (2) Delegated authority be granted to the Chief Executive & Growth Director (CE&GD) to make necessary amendments to the Job Description and reporting lines in the light of comments that may arise from Homes England and our sub regional partners;
- (3) Council approve the creation of the following posts: Project Manager (Liveable Exeter Garden City); Commercial Surveyor (Liveable Exeter Garden City); Planning Officer (Liveable Exeter Garden City).
- (4) Council approve the establishment of a board to oversee the Liveable Exeter Garden City programme, the proposed composition of the Board and the draft terms of reference be delegated to the CE&GD in consultation with the Leader of the Council and be reported back to a future meeting of Executive; and
- (5) Council approve the establishment of a budget of up to £750,000, to be funded by an Earmarked reserve, set up for this purpose.

75

CULTURAL STRATEGY

The Executive received a report which included the City's Arts and Cultural Strategy and set out a clear direction for progress until 2024. It was noted that the Strategy had been commissioned by Exeter Culture, in partnership with the City Council, and built on the Council's work in supporting the organisation as the driver of the creative industries in the City.

As such, the vision of the strategy was noted as being:-

Exeter will be known nationally and internationally as a city of culture. It will innovate and lead in the areas of the environment, wellbeing, cultural literacy, creative making and heritage to build a living city where everyone lives well.

Particular reference was made to:-

- The fact that due to timing issues surrounding the launch of the Strategy on 10 July (i.e. the day after this meeting), there had not been the opportunity for this matter to be firstly presented to Scrutiny;
- The opportunity this Strategy gave to apply as a city for UNESCO City of Culture status;
- The five key themes of the strategy being:-
 - A city of culture for the Environment;
 - A city of Cultural wellbeing;
 - A city of cultural literacy and learning;
 - A city of heritage innovation; and
 - A city of creative making.

RESOLVED that Members acknowledge The Arts and Cultural Strategy and support the work of Exeter Culture, the cultural sector and key stakeholders in delivering it.

76

CIL INFRASTRUCTURE PAYMENTS

The Executive received a report which sought approval to implement and apply a Community Infrastructure (CIL) "Infrastructure Payments" document. This was required so as to allow the delivery of infrastructure by others where considered to be beneficial. The report also allowed for the transfer of an element of the, yet to be received CIL receipts, from the Sandroock development to Devon County Council to deliver part of a strategic cycle route.

RESOLVED that Executive approves the production of a Community Infrastructure Levy (CIL) 'Infrastructure Payments' Document, and delegates authority to the Director to develop and finalise the content of the document in discussion with the Leader of the Council and Portfolio Holder for City Planning & Development and subsequently to issue the document.

RECOMMENDED that Council approves the transfer of up to a maximum of £375,000 of the CIL receipts from the Sandroock development at Monkerton (application reference: 17/1320/FUL) to Devon County Council, to address the fact that the section of the strategic cycle link between the Monkerton strategic allocation and city centre, which passes through the site, must effectively be paid for by the County Council. Such funds are not to be paid to Devon County Council until they have been received in relation to the Sandroock Development at Monkerton by the Council. Authority to transfer the funds to be delegated to the Service Lead City Development in consultation with the Leader of the Council.

77

REVIEW OF CIL CHARGING SCHEDULE

The Executive received a report which sought to initiate a review of the Council's Community Infrastructure Levy (CIL) charging schedule. It was noted that the current charging schedule had been introduced in December 2013. As such, it was felt prudent to start this process now, as it was likely to be at least 18 months before any changes could be introduced, due to the processes which needed to be followed. During discussion, Members requested that this be the matter of a Members' Briefing which would include confirmation as to whether section 106 agreements could be effective in certain circumstances.

RECOMMENDED that Council approves:-

- (1) The initiation of a review of the CIL Charging Schedule which was attached as an Appendix to the report presented to the meeting; and
- (2) The allocation of a budget of up to £75,000 in order to instruct Consultants to review the Community Infrastructure Levy Charging Schedule.

78

BULL MEADOW REPORT

The Executive received a report which requested reconsideration of its previous decision of 12 February 2019 (Executive minute number 22/19 refers), to dispose of land at Bull Meadow Recreation Ground. This was in the light of continuing representations against the disposal of this land, as well as a reconsideration of the principle of disposal of the land to facilitate development, as the park provides a

valuable resource to the local community and that, as such, should be preserved as far as possible.

RESOLVED that no area of Bull Meadow Park at the end of Temple Road be disposed of.

79

RECYCLING & MRF INVESTMENT PRESENTATION - PART 1

The Executive received a presentation from the Service Lead – Recycling, Waste and Fleet which detailed the business case for investment in the Materials Recycling Facility (MRF), which, if approved, would facilitate opportunities for the generation of additional income, the proceeds from which would be used to provide an enhanced kerbside recycling service, as well as the introduction of the collection of glass and food waste.

80

LOCAL GOVERNMENT (ACCESS TO INFORMATION) ACT 1985 - EXCLUSION OF PRESS AND PUBLIC

RESOLVED that under Section 100A(4) of the Local Government Act 1972, the press and public be excluded from the meeting during consideration of items 20(b) and 21 on the grounds that they involved the likely disclosure of exempt information as defined in paragraphs 1,2,3 and 4 of Part 1, Schedule 12A of the Act.

81

RECYCLING & MRF INVESTMENT REPORT - PART 2

The Executive received a confidential report, which had already been considered by Place Scrutiny Committee on 25 June 2019 and detailed a number of options to improve the financial and environmental outcomes of the Materials Recycling Facility (MRF), as well as meeting the expectations of residents and future government requirements in respect of recycling. Of the options presented, option 4 was identified as offering the best technical solution to address this. Members' attention was drawn to the detailed minutes of People Scrutiny which had been circulated.

RESOLVED that:-

- (1) The findings of the report be noted (Appendix 1 – Update to the Business Case Investigation of Options for Collection of Household Food Waste);
- (2) Option 4 (weekly kerbside-sort recycling collection, incorporating glass and food waste collection, with three weekly rubbish collection), be supported with a detailed analysis of the cost, health & safety and organisational change implications being presented in the next committee cycle; and
- (3) The investment in appropriate material sorting technology to implement Option 4 be supported, to maximise commercial recycling opportunities, and that a detailed cost analysis of this be considered in the next committee cycle.

82

LEISURE CONTRACT COMPENSATION PAYMENT - PART 2

The Executive received a confidential report which set out the level of compensation to be paid to the leisure operator in relation to the on-going closure of the pool and health spa areas within the Riverside Swimming Pool and Leisure Centre, and requested the establishment of a budget to make the required payments, with such

funds being met from earmarked reserves. It was noted that an initial payment had already been made under delegated powers.

RECOMMENDED that Council approve the establishment of a budget to be funded by money set aside in an earmarked reserve for the purpose of compensation payments to the Leisure Operator for the loss of income resulting from the on-going closure of the Riverside Swimming Pool and Leisure Centre pool and health spa.

(The meeting commenced at 5.30 pm and closed at 8.12 pm)

Chair

The decisions indicated will normally come into force 5 working days after publication of the Statement of Decisions unless called in by a Scrutiny Committee. Where the matter in question is urgent, the decision will come into force immediately. Decisions regarding the policy framework or corporate objectives or otherwise outside the remit of the Executive will be considered by Council on

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REPORT TO EXECUTIVE

Date of Meeting: 10 September 2019

Report of: City Surveyor

Title: Citypoint – Paris Street and Sidwell Street Regeneration

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? Executive

1. What is the report about?

To update Members on the progress of plans to bring forward the wider development of the former Bus & Coach Station and adjoining areas of Paris Street and Sidwell Street and to seek authority for the City Surveyor to take the next steps to progress the redevelopment proposition.

2. Recommendations:

- 2.1 That the progress to date on bringing forward the Citypoint site be noted; and
- 2.2 That the City Surveyor be authorised, in consultation with the Leader and the Chief Executive, to negotiate and enter into a joint ownership and land promotion agreement with the other main land owners on the site.

3. Reasons for the recommendation:

As rehearsed in this report, significant work has been done to get us to the point where we are able to recommend the joint agreement as the preferred way forward. In times of economic uncertainty, it is felt that such a collaboration approach is the best way to facilitate progress on delivery by avoiding time and resource in site assembly, compulsory acquisition and property disputes.

4. What are the equality and diversity impacts of this decision?

At this stage the City Council is working to progress a development concept for the site that has no direct equality and diversity impacts. There are no explicit recommendations that require immediate consideration although, of course, once more detailed proposals come forward these matters will be at the heart of our deliberations.

5. What are the resource implications including non-financial resources?

The proposals in this report and its recommendations are fundable within the existing budget set up for this project.

6. Section 151 Officer comments:

If the proposal is agreed, specialist financial advice may be required depending upon the nature of the joint agreement proposed to ensure that there are no negative tax (or other) implications for the Council. This will very much depend on the agreed arrangement.

7. What are the legal aspects?

Please see Monitoring Officer's comments below.

8. Monitoring Officer's comments:

Detailed legal advice as to the form and content of the joint agreement will be necessary to ensure any agreement reached is Intra Vires. Given the size of the project, it is likely that additional legal resource will be required.

9. Report details:

At its meeting of 11 December 2018 Executive welcomed the conclusions of the JLL report on development demand and the potential of the Sidwell Street and Bus & Coach Station site and authorised the City Surveyor to progress work to identify options and delivery mechanisms for a comprehensive scheme for the redevelopment of the site (including options for the redevelopment of the Civic Centre site in Paris Street). A budget was set up to cover the costs associated with this work. A further funding allocation was made to cover the cost associated with exploring the potential, opportunity and viability of providing a multi-purpose performance venue as part of this wider development.

With regard to this latter piece of work regarding the multi-purpose performance venue, whilst we have received a report from the appointed consultants, officers are exploring some interesting partnership opportunities that have arisen and we are therefore not yet able to conclude our work in this area. A further report will be brought to Executive once those matters have been worked through in more detail.

Notwithstanding the above, the time has come for Council to take the next steps in bringing forward the wider site for regeneration. This report provides an update on the progress that has been made since the December 2018 meeting and seeks authority to progress agreements with the other affected landowners on the site to bring forward development. A summary of the current position regarding the regeneration proposals is as follows:

Concept Masterplan Development and Design:

- i. We have continued to work up the development concept reported to Executive in December 2018 and have developed a clearly articulated Masterplan concept for the comprehensive redevelopment of the site to provide a range and mix of uses and a scale of development that delivers on the Council's Strategic and Planning Policy objectives and aspirations for the site. This incorporates scheme content of both luxury and budget hotel provision, grade A office space, flexible work space, the relocation of the Civic Centre into a new Public Sector Hub, a significant build-to-rent (BTR) residential allocation, conventional residential accommodation and ancillary retail and food and drink facilities. An indicative drawing showing potential locations and scale and massing is annexed to the report. It should be noted that development layout, phasing and timescales are flexible and can adapt to changing circumstances and market opportunities. Further work is required to produce a detailed project programme to inform procurement and disposal strategy and process and this will need to be worked up in conjunction with the other landholding stakeholders.

- ii. We will need to carry out further viability testing to model development cash-flows on receipt of more detailed cost and technical due diligence data and to inform ongoing discussions with the Crown Estate and Nuveen to establish the principles, functions, resources, operation and target outcomes of the land-holding collaboration vehicle. .
- iii. We have been giving consideration to the potential for the incorporation of a multi-purpose performance venue on the site and its resulting impact on the achievable mix and quantum of other uses and overall project viability. As mentioned, this work has not yet been finally concluded but it does have the potential to make a significant impact on these issues. To a certain degree this uncertainty continues to delay our ability to progress discussions with partners and other interested parties with full clarity.

Marketing and Promotion

- i. JLL is retained to provide a comprehensive development advisory service to promote the scheme, source and secure development and alternative investment partners and to advise on all aspects of delivery. JLL has, in turn, appointed Exeter-based urban design practice, Clifton Emery Design Ltd, to develop and refine the masterplan concept and the regional engineering consultancy, Awcock Ward Partnership, to provide development planning, transport and infrastructure advice and technical support;
- ii. The place brand and vision for the project has been agreed. "Citypoint" has been adopted as the place name and supporting brand, logo, website and marketing materials have been developed and aligned with the Council's successful Exeter Live Better brand concept;
- iii. A website has been designed and developed that reflects the vision and development strategy for the site and computer-generated imagery, site plans, plot diagrams and 3D aerial models have been produced to illustrate and promote the scheme to potential development and investment partners;
- iv. Promotional documentation has been prepared to define the masterplan development for initial discussion purposes with key stakeholders including the Government Property Agency and Exeter University and a schedule of target occupiers has been produced following analysis of the long-term space needs of various central government departments and agencies with requirements for an ongoing presence in the City Centre;
- v. The masterplan proposals have been presented to the University's capital investment group followed by a Q&A and discussion regarding the University's potential support with monitoring arrangements in place to keep the University's Estates Team updated on progress and opportunities;
- vi. Individual site planning statements for the Bus Station and Civic Centre sites have been produced and endorsed by planning officers for inclusion within the sales pack, data room and website. The sales pack will include a bespoke investment prospectus for the BTR/residential, hotel and office development and funding markets and individual site/phase specific sales particulars are being prepared and will be finalised once the land-holding entity and approach is confirmed in an approved Memorandum of Understanding. Key documents including title reports,

planning and technical notes will all be hosted on a JLL data room to be set up prior to marketing launch in September.

- vii. JLL and the Council have been responding to a constant stream of enquiries from interested developers, occupiers, investors, contractors, property agents and the national and local press following extensive media coverage of the development proposals at the end of last year. JLL is recording all interest pending a full marketing launch on conclusion of a Memorandum of Understanding for establishment of the agreement to jointly assemble, promote and secure comprehensive development of the site.
- viii. The outcome of discussions with the Crown Estate and Nuveen will determine the preferred transaction structure, the phasing and sequencing of development and the nature and extent of any formal market engagement and procurement processes.

Technical Due Diligence

- i. The sale process will be supported by a detailed technical data pack to enable effective marketing and promotion of the site to provide a framework for later evaluation and analysis of developer/investor proposals and financial offers;
- ii. The sales pack (and data room) will include the approved site planning statements and completed technical briefing notes on transport, drainage and utilities.

Acquisition

- i. As noted above, we are in negotiation with the other principal land owners on the site, the Crown Estate and Nuveen, on an agreement for pooling property interests and jointly promoting the development proposition. This is considered to be the most expeditious and commercially advantageous arrangement to secure the comprehensive redevelopment of the site. Substantive agreement has already been reached on the core principles and terms of operation of such an arrangement. Authority is being sought to enter into the arrangement so that we can move forward on delivery.
- ii. Once this joint agreement is in place we will be able to step up engagement with other third party owners and occupiers on the site.
- iii. A high level assessment of the potential acquisition costs of third party interests has been undertaken and will be refined and updated in conjunction with the Crown Estate/Nuveen.

Funding and Procurement

- i. JLL has presented to the Council's S.151 Officer on the merits and financial implications of alternative structured funding solutions, specifically in relation to the delivery of the Civic Hub component, to help inform and clarify the Council's preferred risk profile and objectives. This will be reviewed and refined following final determination of the Council's long term space requirements for the relocated civic facilities and any identified site sharing opportunities with partner bodies.
- ii. Officers will move swiftly to identify the operational requirements for the City Council as regards Civic Hub accommodation together with any other shared and

third part facilities that we would seek to co-locate. This will enable us to establish operational requirements to a level sufficient to enable procurement. This work will commence shortly and may require additional resourcing in due course.

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

Detailed heads of terms to deliver a great neighbourhood in the City Centre incorporating a major leisure and sporting facility, a substantial investment in public transport infrastructure and further significant investment in the city centre housing and workspaces. In doing so this strengthens the mix and attraction of the city centre and reinforces its sustainability as we face the challenges of urban centres in the twenty first century. These projects in conjunction provide an excellent opportunity to deliver solutions to a range of the major challenges facing the City in accordance with the Corporate Plan and Vision.

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

There remains significant uncertainty regarding the economic climate, especially as regards property development and construction. This could significantly impact on both viability and delivery timeframes. However, by establishing a mutually beneficial pooling structure with the key land owners we retain control over the development process and will be able to make informed decisions on delivery and financial implications as the project progresses.

12. What is the impact of the decision on health and wellbeing; safeguarding children, young people and adults with care and support needs; economy, safety and the environment?

There are no direct impacts in these areas while the project remains at the conceptual stage. Once detailed design proposals begin to emerge these issues will be rigorously assessed.

13. Are there any other options and why have they been dismissed?

We have considered the alternative for delivery of either disposal of our property interests or acquisition of all third party holdings. The former would restrict our ability to direct the project whilst the latter has been assessed as financially unsustainable. A collaborative approach is felt to give the best opportunity to secure regeneration, generate valuable income streams and avoid protracted negotiations with third parties.

Michael Carson
City Surveyor

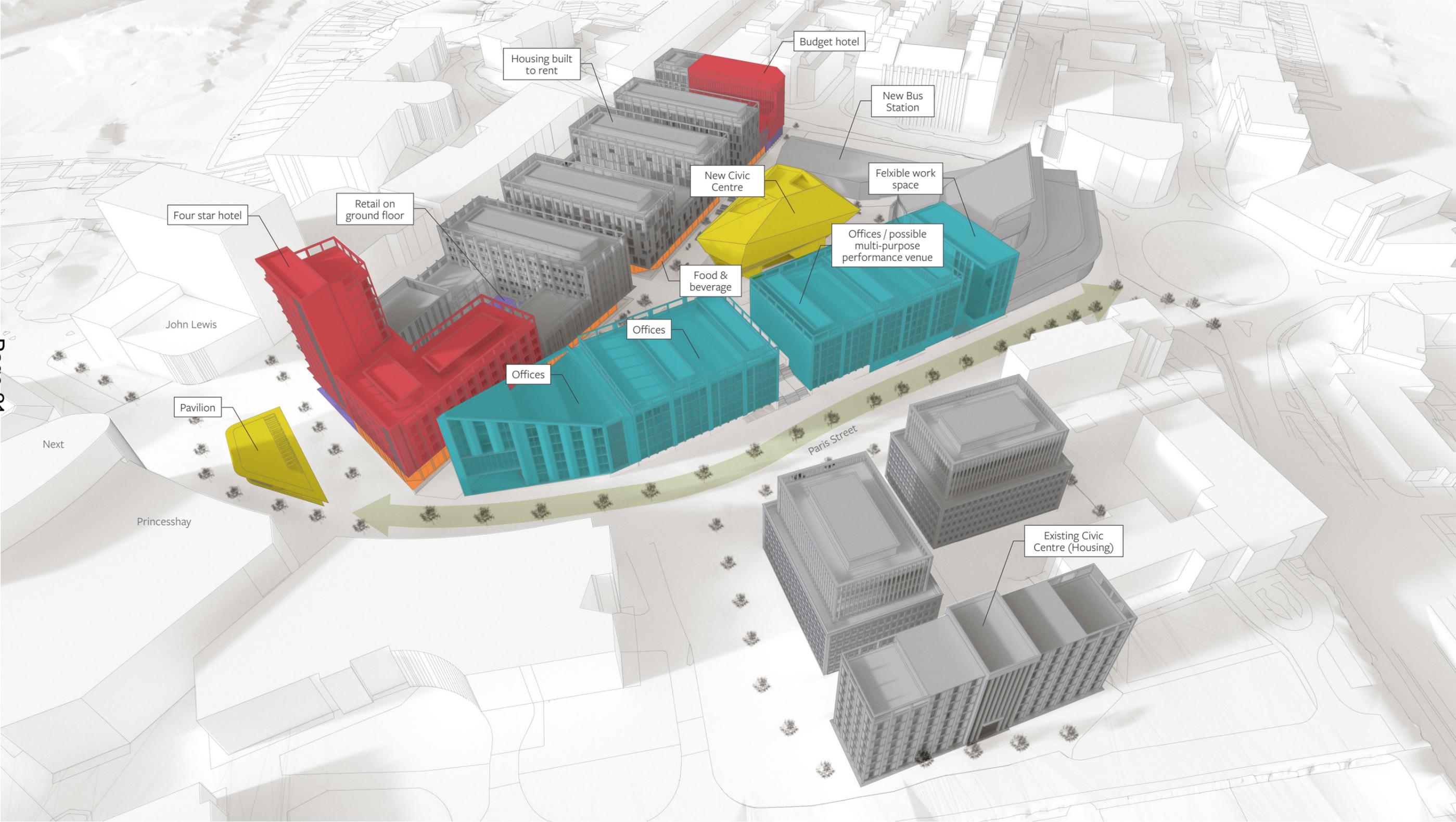
Local Government (Access to Information) Act 1972 (as amended)
Background papers used in compiling this report:-
None

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Exeter Bus and Coach Station Site

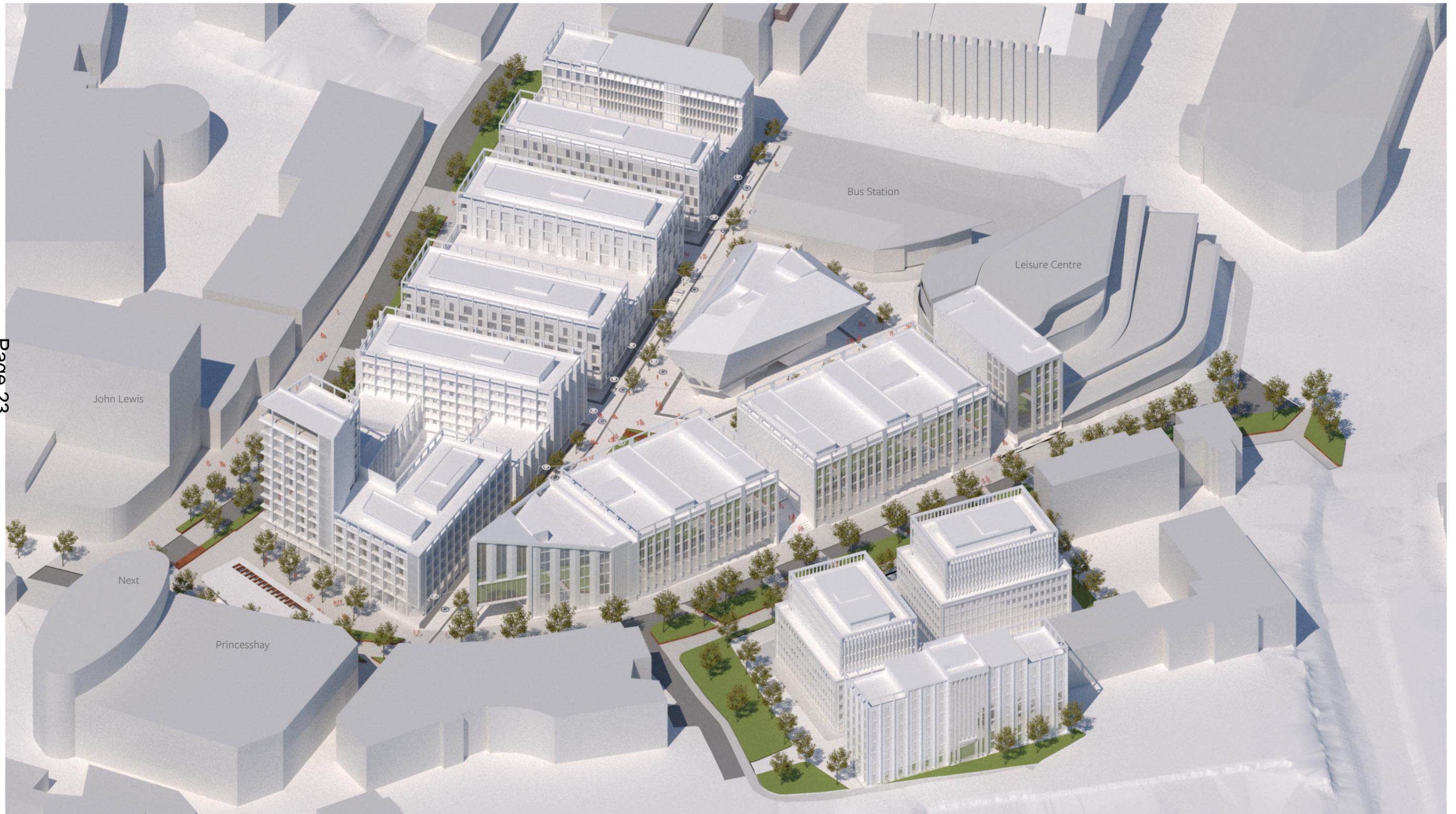
Proposed land uses



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Exeter Bus and Coach Station Site

Aerial model of the proposals



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REPORT TO EXECUTIVE COMMITTEE

Date of Meeting: 10 September 2019

REPORT TO COUNCIL

Date of Meeting: 15 October 2019

Report of: The City Surveyor

Title: Corporate Property Health and Safety Compliance

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?

Seeking approval for funding to achieve required levels of statutory Health and Safety compliance in our built estate.

2. Recommendations:

That Executive:

Recommends to Council the £650,000 estimated budget requirement for undertaking fire risk compliance works that will mitigate the current identified risks to the Council and building users in operational and commercial properties.

3. Reasons for the recommendation:

One of the objectives of establishing the Corporate Property service was to identify and address failures in property Health and Safety compliance where previously there was a lack of relevant data available to enable informed decisions to be made.

Work completed to date has identified numerous areas of non-compliance and backlog in Health and Safety compliance.

Progress has been made in many areas, but the challenges faced are greater than envisaged when Corporate Property was established and existing approved budgets are insufficient to deliver this package of works.

Health and Safety legislation sets out required standards for compliant property use. For example, adequate fire compartmentation of premises, protected fire escape routes, suitability of materials used within protected areas and segregation of combustible materials. Recent fire risk assessments have revealed that several Council assets fall short in this regard. Approval of the proposal set out in this report will address the identified risks.

4. What are the equality and diversity impacts of this decision?

Not applicable.

5. What are the resource implications including non-financial resources:

The fire risk compliance work totals an estimated £650,000 one off capital requirement, subject to tender pricing and unforeseeable works. This sum includes £53,280 for the appointment of an agency worker to design, specify and administer the delivery of the scheme. The breakdown of this sum is contained in the appendix to the report.

6. Section 151 Officer comments:

The contents of the report are noted and when approved the amount will be added to the capital programme. Given the nature of the request, the Section 151 Officer fully supports the recommendation and would expect Members to approve in order to protect the Council. The capital expenditure will be funded along with the rest of the capital programme in a manner that minimises the impact of the Council's General Fund revenue position.

7. What are the legal aspects?

The legal implications and ensuing risks have been adequately set out in paragraph 9 and 11 of this report.

8. Monitoring Officer Comments:

Given the Health & safety risks identified in this report, the Monitoring Officer strongly recommends support of the recommendation set in paragraph 2 above,

9. Report details:

The Regulatory Reform (Fire Safety) Order 2005 mandates that identified actions required to achieve compliance are undertaken. Failure to undertake actions identified could lead to fatalities, enforcement action, criminal and civil prosecutions, fines, reputational damage and an increase in insurance premiums.

Current fire risk assessments have identified failings in required property standards for safe and compliant building occupation and use. Assets identified that fall short in this regard are set out in the appendix to the report. The anticipated budget requirement set out in this report will mitigate the hazards identified in the fire risk assessments for these sites.

Subject to procurement, contractor availability and unforeseen delays, the scheme is expected to take, following approval, three months to design and procure and nine months to deliver across the sites.

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

Building on the work achieved by Corporate Property to date, the proposal will better ensure a compliant and fit for purpose corporate estate and a safe environment for people to visit and work in.

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

There are no risks in proceeding with the proposals.

Not proceeding with recommendations for funding the fire risk actions will result in continued failings in compliance standards within the Council's Corporate Estate; consequently placing employees, contractors and members of the public at risk.

Creation of risk alone is a breach of the Health and Safety at Work Act 1974. Evidence has shown that the number of company directors and senior managers prosecuted for health and safety offences has significantly increased since the introduction of new Sentencing Guidelines in 2016.

Statistics issued by the HSE for 2016/17 show how significant the financial repercussions have been, with the HSE securing a 93% conviction rate and average fines reaching £126,000 per case, in comparison to 2014/15 which averaged £29,000.

12. What is the impact of the decision on health and wellbeing; safeguarding children, young people and adults with care and support needs, economy, safety and the environment?

Not proceeding would leave identified risks to employees and public in place

13. What other options are there, and why have they been dismissed?

No.

Michael Carson
City Surveyor
June 2019

Local Government (Access to Information) Act 1972 (as amended)
Background papers used in compiling this report:
None

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Appendix

Fire Risk Actions Cost Per Site

Site	Cost estimate
Civic Centre Phase 1 and 2 including bin store	59,700.00
Civic Centre Phase 3	58,750.00
Livestock Market (in addition to recent fire alarm works)	25,300.00
The Corn Exchange (in addition to recent fire alarm works)	43,200.00
Wonford Community Centre	14,300.00
Princesshay 2 MSCP	16,800.00
John Lewis MSCP	14,000.00
Mary Arches MSCP	14,700.00
Cathedral and Quay MSCP	22,600.00
Guildhall Car Park MSCP	48,500.00
The Guildhall (in addition to recent fire alarm works)	59,700.00
RAMM	49,600.00
Princesshay 3 MSCP	38,800.00
Custom House	51,900.00
Bradninch Place	73,450.00
Agency Worker to deliver scheme (envisaged 9 months engagement)	53,280.00
Total	644,580.00
The estimated cost of works per site is inclusive of a 10% contingency	

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