

## EXTRAORDINARY MEETING OF THE COUNCIL

### HELD AT COUNTY HALL

Thursday 10 March 2022

#### Present:-

The Right Worshipful the Lord Mayor Councillor Trish Oliver (Chair)

Councillors Allcock, Atkinson, Begley, Bialyk, Branston, Denning, Foale, Hannaford, Harvey, Mrs Henson, Holland, Jobson, Lights, Mitchell, K, Mitchell, M, Moore, D, Morse, Packham, Pearce, Sheldon, Sparkes, Sparling, Sutton, Vizard, Wardle, Warwick, Williams, Wood and Wright

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#### APOLOGIES FOR ABSENCE

Apologies for absence were received from Councillors Buswell, Ghusain, Leadbetter, Martin, J. Moore, Newby and Quance.

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#### LEE MOTTRAM

The Lord Mayor passed on her condolences, and those of Council Members, to the family and friends of former Exeter City Councillor Lee Mottram. He had passed away at the weekend following a battle with cancer. He had served as a Conservative Councillor representing the Duryard ward from 2010 to 2015.

Councillor Sutton spoke of her memories of Lee who, like her, had been elected to the City Council on the same day on 10 September 2010. She recalled how Lee had used his professional expertise as a landscape gardener to ask probing questions at Committees. Councillor Sutton referred to his great sense of humour and highlighted his support to her at a difficult time and how he had raised money for a cancer charity in a bike ride to Paris. It was a great sadness that he had himself fallen victim to cancer at a young age and she passed on her heartfelt condolences to his wife and family.

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#### PUBLIC QUESTIONS

The Lord Mayor reported the receipt of a question from a member of the public.

#### **Question from Cynthia Thompson to Councillor Bialyk, Leader.**

Mrs Thompson was unable to be present and her question was read out by the Corporate Manager Democratic and Civic Support.

#### **Mrs Thompson**

Is the Section 151 Officer able to say how the Intra Loans and any transfer of land made by Exeter City Council to its private development company/subsidiary private companies are not perceived as a distribution of assets and, to date, what amount is owed to Exeter City Council by its private development company?

#### **Response**

Exeter City Living is a 100% wholly owned subsidiary of the Council. Any transfer of land at an under-value would increase the value of the investment in the Company by that amount thus not creating a distribution. From a Corporation Tax point of view, Local Authorities sit outside the Corporation Tax regime and therefore this is not applicable.

However, it is important to note two things:-

- where land is sold at an undervalue, it is likely to need Secretary of State approval (as in the case of Clifton Hill) and there is a wider public benefit consideration; and
- all loans are transacted using state aid indicated rates of interest and therefore there is no distribution of assets.

The value of debt outstanding was £8.926 million.

7 **NOTICE OF MOTION BY COUNCILLOR BIALYK UNDER STANDING ORDER NO. 6**

The Leader, Councillor Bialyk, seconded by Councillor Packham, moved a Notice of Motion in the following terms:-

“That this Exeter City Council, condemns and cannot condone the actions of the Russian Government in invading the independent sovereign state of Ukraine. This Council condemns all acts of aggression against any state against another and its people.

This Council resolves that:-

- Exeter stands in solidarity with the people of Ukraine and the Council agrees to immediately suspend its civic relationship with Yaroslavl;
- it be noted that the Leader of the Council will write to Vadym Prystaiko, the Ukrainian Ambassador to the United Kingdom, offering the City’s support for the people of Ukraine in these difficult times;
- it be noted that the Leader of the Council has written to the Home Secretary advising her that Exeter has always been a City which welcomes refugees from all over the world in their hour of need, and it would support the acceptance of Ukrainian refugees and urges the UK Government to consider an urgent review into the criteria to be applied to those Ukrainian citizens who are seeking asylum in the UK; and
- appropriate arrangements be made, in co-operation with Inclusive Exeter, to extend and engage support for the Ukrainian community in Exeter.”

Councillor K. Mitchell moved an amendment in the following terms:-

“Exeter City Council supports efforts within Local Government to divest from Russian investments/assets and will seek to encourage other local authorities to do so.”

Councillor D. Moore seconded the amendment.

Councillor Bialyk accepted the amendment for inclusion in the Notice of Motion, which became the substantive motion.

In presenting the Motion, Councillor Bialyk, as Leader, referred with pride to his Ukrainian heritage and how he, with others, had responded with great horror, two

weeks ago, to the news of the invasion of this independent country by the Russian Government.

At a vigil held in Bedford Square he had spoken to Russian members of the Exeter Yaroslavl Twinning Association who were also expressing their concerns and opposition to the invasion. The intention to suspend the civic relationship with Exeter's twin city was to emphasise to the authorities in Yaroslavl that Exeter wished to show its solidarity with the people of the Ukraine and opposed the attempt to conquer a democratic country. He also emphasised that it was not a direct protest to the people of Yaroslavl with whom many warm relationships had been enjoyed by Exeter citizens over the years.

He referred to the genuine outpouring of emotion and the wonderful response he had received from the citizens of Exeter and beyond offering their support. Many groups and organisations in the city had been galvanised to assist and some individuals were already providing assistance to Ukrainians at its borders with its neighbouring countries. Inclusive Exeter, the Lord Mayor's Charity, was taking a leading role in this work, and he encouraged all to assist where possible.

In referring to the adversities suffered by Ukraine during World War II, he stated that the current crisis was bringing back memories to many who could remember that period or were told stories of it. From a personal point of view, he referred to his relatives who were heading for the Ukraine border to seek sanctuary, first in the Netherlands, and then in the UK. Like many, they were leaving behind their family, some of whom had stayed to take up arms against the invaders.

He was proud of Exeter's response and urged Members to unanimously support the Motion.

During the discussion, the following points were raised:-

- all should show solidarity and support for Ukraine and its citizens who only wanted to stay in their country and homes and not flee from the tyranny and horrors of war. Like the Leader, a Member had direct knowledge, through Ukrainian relatives living in the UK, of the suffering endured by their friends and family. It was wonderful to see support in Exeter and she urged Exeter to stand with Ukraine;
- the City Council possessed a long history and tradition of working together during a crisis;
- many would have been shocked at the harrowing scenes in Ukraine which they would not have expected to witness in their lifetime. Continued pressure should be placed on the Government to free up the bureaucratic processes to ensure that urgent support could be given to the refugees seeking sanctuary in this country;
- a Member, who had made many visits to Yaroslavl, stated that she had found the citizens to be very friendly and was of the view that many of them were unaware of the true nature of the conflict;
- previous support had been made by the city to Syrian and Afghanistan refugees and the City Council, with Devon County Council and community groups, would similarly support Ukrainians seeking sanctuary;
- a Member, who had visited Russia, was concerned for the safety and liberty of the thousands of Russian citizens who were opposing this unjust war;
- Devon County Council was committed to provide support;
- ordinary citizens were showing support and solidarity, which was not being adequately matched by the Government;

- although, given a previous invasion of Crimea in 2014, a Member was not surprised by Russia's action he was shocked at its ferocity; and
- the people of Yaroslavl had previously opposed the Russia First movement and had elected as their Mayor an opponent of Putin's authoritarian juggernaut.

Councillor K. Mitchell, speaking as a co-leader of an opposition group and in supporting the Motion, stated that Exeter had always come together at a time of need. He had visited both Ukraine and Russia and had found the people friendly and hospitable.

Councillor Packham, in seconding the Motion, urged all to stand in solidarity with the people of the Ukraine and was proud of the UK for its continued defence of democracy and freedom and opposition to the illegal invasion and ongoing atrocities. She praised the bravery of those Russian citizens risking their lives and freedom in standing against the Putin regime. She welcomed the Leader's letter to the Home Secretary and urged the Government to commit to providing as much help as possible to Ukrainians coming to the UK. She praised the work of Inclusive Exeter in seeking to offer all support possible.

The Lord Mayor thanked Members for their comments and referred to messages passed on to Ben Bradshaw MP in solidarity with the Ukrainian people. She also referred to the launch of a sponsorship scheme by the Government to make sure that Ukrainians, who have been forced to flee their homes, have a route to safety in the UK and inviting charities, businesses and community groups to come forward to sponsor Ukrainians who do not have already established family ties to the UK. Inclusive Exeter would be participating in the scheme.

Councillor Bialyk, in summarising, thanked Members for their comments and reiterated many of their sentiments. He was proud of the humanity shown and the willingness of Exeter to provide help and sanctuary to the dispossessed and victims of war and emphasised that Exeter stood with Ukraine.

On being put to the vote the following was CARRIED unanimously:-

"That this Exeter City Council, condemns and cannot condone the actions of the Russian Government in invading the independent sovereign state of Ukraine. This Council condemns all acts of aggression against any state against another and its people.

This Council resolves that:-

- Exeter stands in solidarity with the people of Ukraine and the Council agrees to immediately suspend its civic relationship with Yaroslavl;
- it be noted that the Leader of the Council will write to Vadym Prystaiko, the Ukrainian Ambassador to the United Kingdom, offering the City's support for the people of Ukraine in these difficult times;
- it be noted that the Leader of the Council has written to the Home Secretary advising her that Exeter has always been a City which welcomes refugees from all over the world in their hour of need, and it would support the acceptance of Ukrainian refugees and urges the UK Government to consider an urgent review into the criteria to be applied to those Ukrainian citizens who are seeking asylum in the UK;
- appropriate arrangements be made, in co-operation with Inclusive Exeter, to extend and engage support for the Ukrainian community in Exeter; and

- Exeter City Council supports efforts within Local Government to divest from Russian investments/assets and will seek to encourage other local authorities to do so.”

8 **QUESTIONS FROM MEMBERS OF THE COUNCIL UNDER STANDING ORDER NO. 8**

In accordance with Standing Order No. 8, the following questions had been put by Councillor D. Moore to the Leader

- 1 **can the costs to date for the development of the business case for the proposed residential property company be confirmed?; and**
- 2 **can an estimate be given of the expected cost for the production of the full business plan for this proposed company?**

As both questions related to Minute Number 43 of the Executive Committee meeting of 28 February 2022, the minutes of which were on the agenda for this Extraordinary Council meeting, both questions would be taken at that point in the meeting.

9 **EXECUTIVE - 28 FEBRUARY 2022**

The minutes of the Executive of 28 February 2022 were presented by the Leader, Councillor Bialyk, and taken as read.

In respect of **Minute No. 37 (Urgent Decision – Exeter City Council’s Response to the Devon Climate Citizens Assembly)**, the Leader, replying to a Member’s belief that the City Council’s letter in response to the resolutions of the Devon Climate Assembly was incorrect with regard to the fact that the Council is upgrading council house homes to the PAS 2035 retrofit standard not the Passive house retrofit standard known as EnerPHit, undertook to correct any inaccuracy.

Councillor Wood declared a non-pecuniary interest and left the meeting during consideration of the following item.

In respect of **Minute No. 38 (Pinhoe Community Hub Business Proposal)**, the Portfolio Holder for City Management stated that the reference in the minute to the Pinhoe Hub Trustees having raised £750,000 towards the project was incorrect. The Trustees had, instead, made a commitment to match fund Council support for the project. He added that the Hub was a community led project arising from the need to maintain a library service for the area and in response to the significant increase in housing numbers in recent years.

The Leader, in response to a Member’s enquiry relating to questions submitted by another Member at the Executive, advised that:-

- he would speak with the Member in respect of whether the Council would assist with ongoing running costs if these could not be raised from others sources as this was an issue to be addressed as the Business Case was brought forward; and
- he would obtain information relating to the ownership of the existing Library land.

The Leader moved and Councillor Wright seconded the recommendations and following a vote, the recommendations were carried.

In respect of **Minute No. 40 (Local Government (Access to Information) Act 1985 – Exclusion of Press and Public)**, the Lord Mayor reminded Members that an objection had been received in relation to Minutes 42 and 43, being considered under Part 2. She advised that Members should have regard to the representations made and the Council's written response, as set out in the Executive Agenda, dated 28 February 2022, when making a decision as to whether to move to Part 2.

The Leader moved and Councillor Wright seconded the recommendation that, under Section 100A(4) of the Local Government Act 1972, the press and public be excluded from the meeting during consideration of Minutes 41, 42 and 43 on the grounds that they involve the likely disclosure of exempt information as defined in paragraph 3 of Part I, of Schedule 12A of the Act.

Following a vote, the recommendation was carried.

The Director Corporate Services declared an interest in Minute Numbers 42 and 43 below as a Director of Exeter City Living and the Exeter City Group and left the meeting during consideration of the following items.

In respect of **Minute No. 41 (Hamlin Gardens Housing Scheme)**, a Member sought deferral of a decision on this matter to re-assess the costs of the project in view of the significant increase in the previously approved budget and subsequent inflationary increases since the identification of the revised budget.

The Deputy Leader and Portfolio Holder for Council Housing Development and Services referred to the impact of both Brexit and the Covid 19 Pandemic on materials availability and costs as well as skills shortages in the industry coupled with a buoyant market, all of which had necessitated an increase in the original budget. Any further delay to re-assess budget figures would lead to a further increase in costs. It was imperative therefore to proceed with the scheme as quickly as possible.

The Leader moved and Councillor Wright seconded the recommendations and following a vote, the recommendations were carried.

In respect of **Minute No. 42 (Exeter City Living Business Plan 2022-23)**, a Member, referring to differences in unit numbers for certain schemes between the report and the Business Plan, the uncertainty over Government Plans for the New Homes Bonus scheme and inflationary increases since the Business Plan had been produced, sought the deferral of the report to assess the costs.

The Leader advised that the housing units referred to were indicative only and that the final numbers sought would be detailed in the respective planning applications. The report had been put to an Extraordinary Council meeting in order to seek approval to proceed as quickly as possible with the Council's stated ambitions of providing much needed housing in the city and building sustainable communities and neighbourhoods.

The Leader moved and Councillor Wright seconded the recommendations and following a vote, the recommendations were carried.

In respect of **Minute No. 43 (A Business Case for the Creation of a Residential Property Company, and in accordance with Standing Order No. 8, the following questions were put by Councillor D. Moore to the Leader.**

**1 can the costs to date for the development of the business case for the proposed residential property company be confirmed?;**

The Leader advised that the total expenditure to date on the Business Case production project is £102,348.75. This was in line with the budget forecast approved by Council previously.

However, this included £4,578.75 of 'internal costs' of the Commercial Finance Manager and therefore excluded internal Exeter City Council/Exeter City Living transfers. The external expenditure to date was £97,770.

**2 can an estimate be given of the expected cost for the production of the full business plan for this proposed company?**

The Leader advised that, once the Business Case was approved, Exeter City Council would need to confirm the scope of the sites/homes to be included within a formal Business Plan. The number of homes/sites and complexity of matters in the operational solution would influence the cost to produce the Business Plan. At this stage it was not possible to estimate the cost without the extent of the scope being known and confirmed.

Councillor D. Moore, referring to a point she had made at the Executive meeting, stated that the proposal would fail the people of Exeter, especially St. David's and other city centre wards, forcing people to move out of Exeter in order to find a home. It would also drive others to poor quality rented accommodation as people would be priced out of the rental market or drive up rents as other landlords saw what rents could be achieved in an already over inflated market. Councillor D, Moore stated that housing need was well evidenced and the length of the waiting list often referred to, showed the need for affordable homes to rent in Exeter.

Councillor D. Moore stated that, if the homes provided were to have rents appropriate for the area, in St. David's, where a one bed flat could cost £700-800 per month, many people would be unable to afford this level. Councillor D. Moore stated that the proposal was not a good use of Council funds and did not help those who needed an affordable home to rent.

Another Member supported the views expressed by Councillor D. Moore.

Councillor D. Moore called for a named vote in accordance with Standing Order 27. This was supported.

The Portfolio Holder for City Development responded that a Residential Property Company was one of many strands the Council was employing to solve the city's housing problems. It would provide a much needed additional element to complement the City Council's own housing stock, the housing stocks of other social providers in the city, the Council's housing build programme and the policy of seeking 35% affordable housing in new private housing developments. It would provide many who could not afford to buy their own property the opportunity to remain in their community within quality homes and with a responsible landlord.

Other Members supported the proposal as an innovative and imaginative solution to the ongoing housing crisis in Exeter. It sought to level up the traditional rented market and to lead the way for other landlords to provide quality housing on a fair and protected tenancy basis. It was also an opportunity to respond locally to the

national housing crisis which had been exacerbated by the Covid 19 Pandemic and housing trends such as holiday lets and Airbnb.

The Leader commended the recommendations referring to other Devon District Council's who were seeking to learn from the approach adopted by Exeter.

The Leader moved and Councillor Wright seconded the recommendations.

In accordance with Standing Order 27, a named vote on the recommendations, as set out in the agenda papers, was recorded, as follows:-

Voting for:-

Councillors Allcock, Atkinson, Begley, Bialyk, Branston, Denning, Foale, Hannaford, Harvey, Lights, K. Mitchell, M. Mitchell, Martin, Morse, Pearce, Sheldon, Sparkes, Sutton, Vizard, Wardle, Warwick, Williams, Wood and Wright.

(24 Members)

Voting against:-

Councillors D. Moore and Sparling

(2 Members)

Abstain:-

The Lord Mayor  
Councillors Mrs Henson, Holland and Jobson

(4 Members)

Absent:-

Councillors Buswell, Ghusain, Leadbetter, Martin, J. Moore, Newby, Pearson.  
Quance and Sills

(9 Members)

The recommendations were CARRIED.

**RESOLVED** that the minutes of the Executive held on 28 February 2022 be received and, where appropriate, adopted.

(The meeting commenced at 6.00 pm and closed at 7.47 pm)

Chair