

EXECUTIVE

Tuesday 5 July 2011

Present:-

Councillor Sutton (Chair for the meeting)
Councillors Denham, Fullam, R M Hannaford, Mrs Henson, Martin, Mrs J Morrish and Sheldon

Chief Executive, Director Corporate Services, Director Economy and Development, Assistant Chief Executive, Head of Planning and Building Control, Head of Treasury Services and Member Services Manager

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DECLARATIONS OF INTEREST

No declarations of interest were made.

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A SYSTEMIC REVIEW OF THE COUNCIL'S SERVICES

The report of the Chief Executive was submitted, seeking agreement to undertake a systemic review of the Council's services.

Members welcomed the proposal to review Council systems with a view to achieving further efficiency and value-for-money services for customers. It was proposed to earmark an allocation of £175,000 from reserves to cover the cost of the work and contingencies and this was identified in the Overview of the Revenue Budget report later on the agenda.

RESOLVED that:-

- (1) a systemic review of the Council's services be undertaken;
- (2) Vanguard be engaged to support the Council in its review; and
- (3) a small cross-party group of senior members be established to oversee the development and introduction of this work to the Council.

(Report circulated)

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CAPITAL MONITORING 2010/11 AND REVISED CAPITAL PROGRAMME FOR 2011/12 AND FUTURE YEARS

The report of the Head of Treasury Services was submitted, advising Members of the overall financial performance of the Council for the 2010/11 financial year, in respect of the annual capital programme. The report also sought approval of the 2011/12 revised capital programme, including commitments carried forward from 2010/11.

The Head of Treasury Services identified the main variances and achievements in the programme and undertook to respond to Councillors on a number of queries in relation to specific projects. Members were pleased to note that 79.8% of the total approved expenditure for 2010/11 had been achieved, representing an increase on the 64.8% actual expenditure achieved in 2009/10.

Scrutiny Committee – Resources considered the report at their meeting of 22 June 2011 and their support and comments were noted.

RECOMMENDED that Council approves:-

- (1) the overall financial position for the 2010/11 annual capital programme; and
- (2) the amendments to the Council's annual capital programme for 2011/12.

(Report circulated)

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OVERVIEW OF REVENUE BUDGET 2010/11

The report of the Head of Treasury Services was submitted, advising Members of the overall final financial performance of the HRA & General Fund Revenue Budget for the 2010/11 financial year ended 31 March 2011.

The Head of Treasury Services reported on the overall increase in the HRA working balance and net underspend in operating expenditure. He identified the main Service Committee variations in the General Fund expenditure for the financial year, including the savings attributable to the new sports facilities management contract and the surplus achieved in the recycling budget.

Scrutiny Committee – Resources considered the report at their meeting of 22 June 2011 and their support and comments were noted.

Members noted the 97.5% collection rate for Council Tax achieved in the year and the position in respect of outstanding debt and creditor payment performance. They were pleased to note that savings of over £1 million had been achieved during 2010/11 enabling over £348,000 to be returned to the working balance.

In response to a query regarding the identified pension strain repayments, members were advised that this resulted from staff redundancies but costs would be recovered from savings in the staffing budget. A member queried the position with regard to the proposed Saturday morning opening of the Customer Services Centre. The Director Corporate Services responded that, following negotiations with the staff and trade unions, it was being proposed that this be undertaken on a six month trial basis within existing budgetary provisions. Formal approval would be sought for any permanent extension, if appropriate, in light of the operation of the pilot scheme.

RECOMMENDED that the report is noted and that Council approves:-

- (1) the net transfer of £409,949 from Earmarked Reserves as detailed in paragraph 3.14 of the report;
- (2) supplementary budgets totalling £147,170 as detailed in paragraph 3.10 of the report;
- (3) the Earmarked Reserves at 31 March 2011;
- (4) the Council Tax account and collection rate;
- (5) that the outstanding sundry debt and aged debt analysis be noted;
- (6) that the creditor payments performance be noted;

- (7) by taking into account the overall financial position of the Council as set out in paragraph 3.9 of the report, the General Fund working balance as at 31 March 2011, be approved at £4,192,897; and
- (8) that the Housing Revenue Account working balance at 31 March 2011 is approved at £3,917,868.

(Report circulated)

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TREASURY MANAGEMENT 2010/11

The report of the Head of Treasury Services was submitted, reporting on the overall performance for the 2010/11 financial year and the position regarding investments and borrowings at 31 March 2011.

Scrutiny Committee – Resources considered the report at their meeting on 22 June 2011 and their support and comments were noted.

The Head of Treasury Services reported that a return of only 0.74% on investments had been achieved in comparison with the 3% that had been budgeted for and that the Council had now completely withdrawn the investments managed by the Investment Fund Managers. This had resulted in savings in management fees and had also enabled a reduction in the amount of borrowing and in risk exposure. However short term borrowing for up to 1 year remained very cheap and the Head of Treasury Services recommended that the Council continue to take advantage of the historically low interest rates.

Members were pleased to note that the position in respect of the Icelandic banks appeared to be more optimistic and that it was anticipated that 100% of the investment with Glitnir would be returned in December 2011, subject to priority status being maintained in the Supreme Court.

RECOMMENDED that Council notes and approves the Treasury Management report for the 2010/11 financial year.

(Report circulated)

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ANNUAL GOVERNANCE STATEMENT

The joint report of the Head of Treasury Services and Chief Executive was submitted, setting out the proposed Annual Governance Statement that will accompany the Council's Annual Statement of Accounts for 2010/11. The Statement also incorporates the Council's Code of Corporate Governance which is published on the Council's website.

Scrutiny Committee – Resources considered the report at their meeting on 22 June 2011 and their support and comments were noted.

RECOMMENDED that Council notes and approves the Annual Governance Statement to be included within the Council's Annual Statement of Accounts for 2010/11.

(Report circulated)

JOHN LEWIS STORE - IMPLICATIONS FOR CITY CENTRE TRANSPORT MANAGEMENT

The report of the Director Economy and Development was submitted, informing Members of transport implications arising out of the decision by John Lewis to open a store in the former Debenhams building, 1-11 Sidwell Street and seeking Members support for extending the current one-way system in Paris Street into New North Road.

The Director reported that the John Lewis development would have significant implications for the movement of traffic around the City. It was essential to address traffic management issues as soon as possible in order that arrangements were in place prior to the opening of the store, which was now projected to be in the last quarter of 2012. Devon County Council officers had already undertaken significant investigations into the highways issues and decisions would be made by the County Council as Highways Authority in consultation with Exeter Highways and Traffic Orders Committee.

Members strongly endorsed proposals to increase the integration of John Lewis into the main shopping area by minimising the perceived separation of Sidwell Street caused by traffic at the London Inn Square junction. They acknowledged that any changes to traffic management arrangements would have consequences for surrounding junctions which would need to be carefully addressed. They also welcomed proposals for changes to signage and re-branding of existing car parks and other measures to reduce cross-city travel. They emphasised the importance of making suitable alternative arrangements for bus routes, particularly for rural services, in view of their use of Paris Street/ London Inn Square/ Sidwell Street area. There was recognition of the benefits of maintaining central pick up and set down points, particularly for people with special mobility needs.

RESOLVED that Executive:-

- (1) supports in principle reducing traffic flow and pedestrian/vehicular conflict outside the new John Lewis store by simplifying traffic movements and increasing the footway area; and
- (2) requests Devon County Council and the Exeter Highways and Traffic Orders Committee to give positive consideration to the proposal to reduce traffic flow and pedestrian/vehicular conflict outside the new John Lewis store and promote the necessary traffic orders including consultation as appropriate.

(Report circulated)

FURTHER INVESTMENT IN KING WILLIAM STREET CAR PARK

The report of the Head of Operational Services and Transport was submitted, seeking a decision from Members regarding further investment in the refurbishment and upgrading of King William Street car park.

The Director Economy and Development reported that the King William Street car park was currently relatively poorly used but that it had the potential to be the car park of choice for those visiting the planned John Lewis store. He outlined a range of measures designed to increase the use and enhance the experience of the King William Street car park, such as improved signage, CCTV and Pay on Exit system.

Members supported the strong business case for undertaking further refurbishment works to the car park and welcomed the proposed improvements.

RECOMMENDED to Council that investment of up to £900,000 in King William Street car park be approved and the potential renaming of the car park be agreed.

(Report circulated)

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SUPPLEMENTARY PLANNING DOCUMENT - HOUSES IN MULTIPLE OCCUPATION

The report of the Head of Planning and Building Control was submitted, considering the results of a public consultation on a draft Houses in Multiple Occupation Supplementary Planning Document (SPD) for adoption.

The Head of Planning and Building Control informed members that the purpose of the SPD was to amplify the application of policy H5 (b) of the Exeter Local Plan relating to imbalance in local communities as a result of over-concentration of certain types of residential accommodation such as shared student houses. He advised members of the significant increase in the number of Council Tax exemptions over the last year and updated members on the revised data in respect of those wards most affected. He also informed members of the extensive consultation exercise which had been undertaken in order to refine the policy.

Councillor Cole attended the meeting and spoke on this item under Standing Order 44. She acknowledged the considerable work undertaken by Planning Officers to try to achieve an acceptable proposal for the various parties involved. She supported the proposed list of circumstances to which the Council would have regard in considering whether to make exceptions to the Policy and requested that further guidance would be made available in due course in respect of the four areas identified.

The Head of Planning and Building Control responded that further interpretation material would be made available although it was likely that guidance would evolve in the light of practice. Some degree of flexibility would be desirable in order to reflect changes in housing market conditions and other factors.

Members welcomed the proposed Supplementary Planning Document which they hoped would help to preserve the balance in local communities and provide clarification on the policy for residents. They thanked the Head of Planning and Building Control and his team for the extensive consultation they had undertaken.

RESOLVED that Executive adopts the proposed amended SPD at Appendix C of the report and agrees the accompanying Consultation Statements at Appendix B.

(Report circulated)

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HONORARY ALDERMEN

Section 249 of the Local Government Act 1972 empowers the Council to confer the title of Honorary Alderman on persons who have, in the opinion of the Council, rendered eminent service to the Council as a past member of the Council. An Honorary Alderman is invited to participate in those Civic ceremonies which the Mayor attends In State, and to which it is usual to invite Past Mayors.

