

EXECUTIVE

Tuesday 10 February 2015

Present:

Councillor Edwards (Chair)
Councillors Denham, Fullam, Hannaford, Leadbetter, Owen, Pearson and Sutton

Also present:

Chief Executive & Growth Director, Deputy Chief Executive, Assistant Director Economy, Assistant Director Customer Access, Assistant Director Finance, Corporate Manager - Legal, Corporate Manager Democratic and Civic Support, Corporate Manager Property, HR Business Manager, Principal Project Manager (Strategic Infrastructure) and Democratic Services Manager (Committees)

13

DECLARATIONS OF INTEREST

Councillors Edwards, Denham, Leadbetter and Pearson all declared discloseable pecuniary interests as members of the Exeter Canal and Quay Trust and withdrew from the room whilst Minute 24 was discussed.

14

EUROPEAN RUGBY SEVEN A-SIDE TOURNAMENT

The Assistant Director Economy updated Members on the position with regards to the European Rugby seven a-side tournament. A meeting had taken place with the Rugby Football Union and a number of planned activities were proposed to promote the tournament. It was anticipated that the approximately costs of £5,000 to support the promotion of the events would be funded from existing budgets.

RESOLVED that the update be noted.

15

GENERAL FUND/HOUSING REVENUE ACCOUNT ESTIMATES AND CAPITAL PROGRAMME 2015/16

The report of the Assistant Director Finance was submitted seeking approval of the General Fund revenue estimates for 2015/16 and to recommend the Band D level of Council Tax for 2015/16. The report also included the proposed Capital Programme for 2015/16 and future years, and the proposals in respect of the Housing Revenue Account.

The Local Government Settlement had been confirmed and the Council would receive £6.635 million in 2015/16. There was a growth in business rates of approximately £1.289 million above the baseline set by the Government and, with the final payment of last year's deficit of £728,000 to be paid, there was a budget of £561,000 for business rates. The proposed Band D council tax for 2015/16 would be £135.05, an increase in the annual council tax of £2.63 or 1.99%.

In response to Members' questions, the Assistant Director Finance stated that the Council's revenue spending power included the base line figure for business rates but no adjustment for growth; the budget setting process had started in October

2014 with the budget for oil and fuel prices also set at that time, the tariff for electric and gas being fixed until June 2016.

Scrutiny Committee – Resources considered the report at its meeting on 28 January 2015 and the support and comments of the Members were noted.

RECOMMENDED to Council:-

- (1) to approve the Council's overall spending proposals in respect of both its revenue and capital budgets;
- (2) to approve the council tax for each Band as set out in section 8.19.3, subject to Devon County Council, OPCC Devon and Cornwall and the Devon and Somerset Fire Authority confirming their Band D levels respectively;
- (3) when the actual council tax amounts for Devon County Council and the Devon and Somerset Fire Authority are set then the revised council tax levels be submitted to Council on 24 February 2015 for approval;
- (4) to note the Statement given by the chief finance officer as required under Section 25 of the Local Government Act 2003.

16

TREASURY MANAGEMENT STRATEGY 2015/16

The report of the Assistant Director Finance was submitted seeking adoption by the Council of the Treasury Management Strategy Report, incorporating the Annual Investment Strategy 2015/16, as required under section 15(1)(a) of the Local Government Act 2003.

In response to Members' questions, the Assistant Director Finance confirmed that the General Fund did not have any long term borrowing. The Housing Revenue Account (HRA) did have long term borrowing as the Council had made a one off payment in March 2012 to buy itself out of the HRA subsidy system.

Scrutiny Committee – Resources considered the report at its meeting on 28 January 2015 and comments were noted.

RECOMMENDED to Council to adopt the new Treasury Management Strategy and delegations contained therein.

17

PRUDENTIAL CODE FOR CAPITAL FINANCE IN LOCAL AUTHORITIES (INCORPORATING THE ANNUAL STATEMENT OF MINIMUM REVENUE PROVISION)

The report of the Assistant Director Finance was submitted setting out the proposed 2015/16 prudential indicators for capital finance for adoption by the Council and setting the annual statement of Minimum Revenue Provision (MRP). The Regulations required that a local authority shall determine for the current financial year an amount of minimum revenue provision which it considered to be prudent.

Members were advised of the current and future estimates of the Capital Financing Requirement and the Operational Boundary for 2015/16 to 2017/18.

In response to a Member's question, the Assistant Director Finance stated that the Authorised Limit was the maximum that the Section 151 Officer was allowed to

borrow to cover Operational Boundary and day to day Cashflow needs. The Council was not allowed to exceed this amount of borrowing without first authorising an increase to the limit.

Scrutiny Committee – Resources considered the report at its meeting on 28 January 2015 and comments were noted.

RECOMMENDED to Council to adopt the:-

- (1) Prudential Indicators as set out in Appendix A-C; and
- (2) Annual Statement of Minimum Revenue Provision for the Council.

(In accordance with Standing Order 43, Councillor Fullam requested that his name be recorded as having voted against the recommendation)

18

ANNUAL PAY POLICY STATEMENT

The report of the Human Resource Business Manager was submitted seeking approval of the Council's Annual Pay Policy Statement 2015/16 which must be approved by Full Council each financial year in line with legislation.

The Human Resource Business Manager confirmed that the report had also taken account the general uplift from the implementation of the nationally determined living wage with effect from 1 April 2015. The implementation of the nationally negotiated pay award for Chief Officers and Chief Executives for 2015/16 had now been agreed as set out on page two of appendix one.

In response to a Members questions, the Human Resource Business Manager advised of the Council's policy with regards to the re-employment of local government officers who had been previously made redundant from a local authority.

Scrutiny Committee – Resources considered the report at its meeting on 28 January 2015 and its comments were noted.

RECOMMENDED to Council that the Pay Policy Statement 2015/16 be adopted and published in accordance with the legislation.

19

CHANNEL SHIFT IMPLEMENTATION RESOURCES

The report of the Assistant Director Customer Access was submitted advising Members that the Council had agreed to implement a Channel Shift Programme which was the first step in developing the Council's Digital offer. The funding proposal agreed by Council in December included the costs for recruiting two staff. This equated to an increase in the establishment of one post and therefore agreement was being sought to implement recruitment to these posts.

The Assistant Director Customer Access advised of the position with regards to the procurement by Strata to deliver the technology to take forward the Channel Shift Programme. This had caused a slight delay in the project while Strata considered the most suitable options taking into account the future requirements of the other two authorities.

The Portfolio Holder for Enabling Services commented that these were important roles to advance the programme to enable self service of the Council Services.

The Portfolio Holder for Housing and Customer Access welcomed this spend to save model as the way forward.

RESOLVED that:-

- (1) the replacement of the existing temporary Customer Access Officer post and the permanent Process Redesign Officer with the creation of a posts of Business Improvement Lead and Business Improvement Analyst be approved;
- (2) the two staff currently employed would be put at Risk and recruitment commenced once there was a revised Organisational Change Policy in place; and
- (3) the full Implementation Plan for the Channel Shift Programme be considered by the Channel Shift Board and presented at a future Executive meeting, as would the draft Digital Strategy.

20

FREEDOM OF THE CITY

The report of the Corporate Manager Democratic and Civic Support was submitted detailing a proposal to set criteria against which future nominations for Freedom of the City could be judged. At an Extraordinary meeting of the Council on 15 October 2014 the Council had agreed that, in order to maintain the dignity associated with the award of such a honour, a set of criteria should be drawn up against which future nominations could be considered.

All Members of the Council had been asked to comment on the appropriateness of the proposed criteria. The comments regarding length of community service qualification and the withdrawal of the award if the individual brought the position or Council into disrepute had been incorporated into the criteria.

Councillor Winterbottom having given notice under Standing Order no.44 spoke on this item. He commented that while he supported the report he felt that the award of honour should be similar to that of a life peerage and be awarded on a life time basis.

Members supported an additional recommendation that future Freemanships should be awarded on a life time basis and would not be eligible for passing to future generations. This recommendation would apply to future Freedom of the City awards only.

RECOMMENDED to Council that:-

- (1) the following criteria against which future nominations for Freedom of the City of Exeter be adopted:-
 - a) For those who have extraordinarily served the community over a number of years (minimum of 20 years) in a voluntary or professional capacity;
 - b) For those who have achieved national, international or world recognition for excellence in their particular field of expertise (be it business, entrepreneurial, sport, or any other area);

- c) For those who have promoted Exeter during their career so as to significantly raise the profile of the City on a national, international or world basis;
 - d) For those who have, via a particularly extraordinary act, or series of acts, put the safety or well being of themselves secondary to those of others; and
 - e) Future awards would be on a life time basis and would not be eligible for passing to future generations; and
- (2) provision be made for the withdrawal of this award in line with the Council's adopted scheme for the enrolment of Honorary Aldermen.

21 **MANAGING ORGANISATIONAL CHANGE AND REDUNDANCY POLICY AND PROCEDURE**

The report of the Corporate Manager Legal Services was submitted seeking to implement a new policy for the effective and timely management of organisational change and redundancies at the Council. Members were advised that the Council's existing Managing Organisational Change Policy was overdue a review, and in partnership with the recognised Trades Unions the opportunity had been taken to revisit these provisions.

RECOMMENDED to Council that:-

- (1) the implementation of the Managing Organisational Change and Redundancy Policy and Procedure with effect from 1 March 2015 be approved; and
- (2) the Deputy Chief Executive, in consultation with the Leader of the Council, be given delegated authority to amend the policy where necessary.

22 **GOVERNANCE AND PRIORITISATION OF COMMUNITY INFRASTRUCTURE LEVY FUNDING**

The report of the Assistant Director City Development was submitted providing an update on the Community Infrastructure Levy (CIL) and setting out proposals for the future use and governance of receipts.

The Principal Project Manager (Strategic Infrastructure) advised that the report concerned the management and governance of CIL receipts. During the period to 2026, CIL was expected to raise approximately £25million. He outlined the breakdown of funding and the recommendations as detailed in the report. Further to discussions with various community groups it was recommended that all of the neighbourhood funding should be pooled. For the first five years a bottom up strategy should be prepared to identify collective community priorities. A further report and decision would be needed on the finer administrative arrangements for any joint Major Infrastructure Panel.

Members had been circulated with a letter from Devon County Council's Head of Planning, Transport and Environment which detailed issues of funding of additional school places, funding of transport schemes and governance.

The Principal Project Manager (Strategic Infrastructure) addressed the points raised by the Head of Planning, Transport and Environment.

Funding of additional school places:-

- the Council had secured more than the national average developer contribution towards new school places for the whole plan period to 2026
- Survey data from Cranbrook illustrates that most residents of new dwellings in the area already live (90%) and go to school in Devon.

Funding of transport schemes and governance:-

- recommended that a 'combined authorities' approach to effectively plan for and manage the delivery of growth priorities in Exeter, Teignbridge and East Devon should be explored further to enable the authorities to collectively profile investment priorities against the various sources of income according to where the greatest needs and opportunities prevail including the match funding of key transport schemes
- in response to the County Council's comments and working towards a combined authorities approach an additional recommendation was proposed that a joint Officer Working Group be established, consisting of relevant officers from Exeter City Council, Devon County Council, East Devon District Council and Teignbridge District Council – to identify infrastructure needs, priorities and sources of funding; bring forward schemes; support and implement decisions by any joint Major Infrastructure Panel.

During discussion Members raised the following points:-

- welcomed the pooled approach to neighbourhood funding and the support and advice that St James Neighbourhood Forum had provided to date with this proposed way forward
- Exeter City Council had already secured and paid considerable funding to the County Council through Section 106 monies for education
- it was important that the City Council continued to invest in the growth of the City Centre
- recognised the challenges that the Council faced in securing funding for infrastructure and prioritising schemes and the need for all authorities concerned to have a combined approach.

The Chief Executive & Growth Director commented that the way forward presented challenges in prioritising the delivery of infrastructure in and around the City. It was important that a combined approach with the County Council and neighbouring authorities was taken to secure funding that could be available through the Local Enterprise Partnership (LEP).

The majority of Members welcomed the way forward to work towards a combined authority approach which would hopefully help to secure additional funding for major infrastructure projects through the LEP and other external funding sources. A Member did raise concerns regarding the percentage of funding proposed for the City Centre major infrastructure and how was the city centre area defined.

RESOLVED that:-

- (1) the prioritisation of CIL income (total assumed at £25 million) as set out in the table below and in sections 11, 12 and 17 be agreed;

Purpose	Approximate Amount		Description
Administration	5%	£1.25m	Costs of administrating receipt and expenditure of CIL.
Neighbourhood Funding	15%	£3.75m	Developing and implementing a community- level strategy for addressing the demands of development.
European Site Mitigation	8%	£2m	Mitigating the recreational impacts arising from new development on European protected habitats.
City Centre Major Infrastructure	32%	£8m	Dedicated to city centre leisure, transport and public realm projects unless alternative contributions can be secured. Priority will be given in the early years to the city centre above other major infrastructure
Other major Infrastructure to include roads and schools	40%	£10m	Expected after 2019/20.

- (2) the formation of an Exeter only Major Infrastructure Panel with the flexibility to determine the final allocation of funding from CIL to major schemes and leverage funding from other sources as outlined in sections 13 to 16 be agreed;
- (3) the Council Leader meeting with counterparts at Teignbridge and East Devon District Councils and Devon County Council with a view to exploring the establishment of a joint cross boundary Major Infrastructure Panel, be supported;
- (4) the Assistant Director City Development be given delegated authority to agree the terms of reference as set out in paragraph 13.1 to implement an agreed infrastructure Business Plan;
- (5) the Assistant Director City Development be given delegated authority to confirm final neighbourhood funding arrangements in the St James neighbourhood area; and
- (6) a joint Officer Working Group be established, consisting of relevant officers from Exeter City, Devon County, East Devon District and Teignbridge District Councils, the Group to:-
 - Identify infrastructure needs, priorities and sources of funding (including opportunities to lever moneys)
 - Bring schemes to a point where they are investment ready
 - Formulate and keep an up-to-date, draft five-year investment programme
 - Support and implement decisions by any joint Major Infrastructure Panel.

(In accordance with Standing Order 43, Councillor Leadbetter requested that his abstention from voting be recorded)

23 **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 the following item on the grounds that it involved the likely disclosure of exempt information as defined in paragraph 3 of Part 1, Schedule 12A of the Act.

24 **THE FUTURE OF THE CUSTOM HOUSE**

Councillors Edwards, Denham, Leadbetter and Pearson all declared discloseable pecuniary interests as members of the Exeter Canal and Quay Trust and withdrew from the room whilst this matter was discussed.

Councillor Sutton chaired the meeting for this item.

The report of the Corporate Manager Property was submitted outlining a proposal to relocate the Quayside Visitor Centre into the Custom House and the simultaneous letting of the building to the Exeter Canal & Quay Trust (ECQT).

Members were advised that the Council had explored a number of options for a long-term, sustainable use for the property on Exeter's historic quayside, and the proposed solution would ensure the ongoing stewardship of the historic fabric and provide greater access for all.

Scrutiny Committee – Resources considered the report at its meeting on 28 January 2015 and its comments were noted.

RESOLVED that:-

- (1) the proposed relocation of the Quayside Visitor Centre to the Custom House be approved; and
- (2) the headline terms for the proposed letting to ECQT be approved.

(The meeting commenced at 5.30 pm and closed at 6.50 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 24 February 2015.