

STRATEGIC SCRUTINY COMMITTEE

23 JULY 2020

CLLR PHIL BIALYK, LEADER – UPDATE ON PORTFOLIO HOLDER PRIORITIES

Corporate Vision & Strategy	The council's corporate plan "Our Strategy 2018-21" is due for renewal next year. An update on progress with the priorities in the plan was reported in the Leader's 2020 budget speech. A mid-plan review was scheduled for June 2020, but this was postponed due to the impact of Covid-19. The corporate plan will now be reviewed in the context of the emerging financial situation, the recovery from Covid-19 and the revised medium term financial plan.
Liveable Exeter Transformational Housing Programme	<p>It is a year since we announced the Vision for Liveable Exeter. The Liveable Exeter Programme is progressing; a Project Director, Richard Marsh, joined the City Council in January 2020 to lead the programme and work is now underway to develop and begin delivery of the programme. This involves supporting the development of the Local Plan and GESP, but also beginning to consider specific delivery plans for the individual Liveable sites – working closely with partner organisations. The Sites identified in the Liveable Exeter Vision document have now been included in the GESP documentation out for public consultation. Hilton Barnfield Architects, a local architectural practice have been engaged by the RTPI, RTPI, the LGA and the City Council under a Future Places Award to produce material to assist decision makers and the development sector understand expectations regarding planning and urban design considerations specifically focused on Creating communities and mixed use developments. We were one of only five places in the country that received Future Places funding for this work. Work is proceeding with partners to master plan St David's Station and this is being funded by the One Public Estate. Work behind the Exeter Development Fund continues. This is a joint project with the One Public Estates funding a business case model of the fund with reference to actual sites to demonstrate whether a fund is viable. Members may recall, this is a pioneering concept seeking to address whether the city can fund development without reliance from the traditional funders. This is an attempt to keep more money circulating in the city. The task of funding the city's infrastructure is significant, most of the land in the transformational housing programme is brown field land requiring significant investment to bring forward for development. In addition we have complex land ownership constraints and challenging logistical issues to address such as moving employment and existing development to make way for new development. We will want to manage relocations to support businesses and to ensure that disruption is minimised. These type of regeneration issue require a governance structure to manage co-ordination and collaboration on the infrastructural needs of the city. The Liveable Exeter Place Board has been established to provide a structure governance to engender collaboration and conversations between national and local agencies to address the potential obstacles to</p>

	<p>delivery. On the 17th December 2019 we had the first meeting of the Place Board.</p> <p>The Programme is overseen by the Place Board which consists of public, private and third sector leaders from local, regional and national organisations. The role of the Board is to support and advise the Council in delivering on the ambitious Liveable Exeter programme, and become champions and advocates for the city, its organisations' and their shared plans. The Board has no decision making powers or budget and any matters requiring a Council decision will follow usual Council decision making and scrutiny processes.</p> <p>The Board has met 3 times in relation to the Liveable programme but, since the onset of the Covid-19 pandemic, has been meeting regularly to discuss and coordinate the city's response to the pandemic. This has proved invaluable in facilitating cross-organisational working and in ensuring the city has been able to mount the most effective response to the pandemic possible. Moving forwards, the Board has agreed to become the champions for the city's recovery strategy and members of the Board are chairing the 7 recoveries groups developed to target the city's place-based response to the Covid-19 pandemic, working closely with a wide group of city stakeholders with specialisms in their respective areas and with the relevant portfolio holders.</p> <p>Since inception, additional members have been added to the Place Board in order to ensure that the broadest possible range of stakeholders and organisations are represented and that major institutions, with the potential to help positively shape the future of Exeter, are engaged and participating in a collaborative and constructive manner – to the benefit of the city and its residents.</p>
Partnerships and the sub-regional growth agenda including Local Industrial Strategy	<p>It is pleasing to say that I am now a member of the Board of the Heart of the South West LEP representing the Devon districts. Members will be aware we did a lot of work producing an industrial strategy for Exeter, this fed into the work on the regional local industrial strategy. That strategy was submitted to Government but with Covid-19 nothing has come back, we therefore await with interest what will happen with that document. The Heart of the South West Councils continues to meet but much of the energy behind the initial work has dissipated, mainly because nothing has come back from Government regarding devolution and a growth deal for the south west. There is likely to be announcement on devolution in the autumn but worryingly this is also like to call for unitary councils and local government reorganisation. Somerset is currently seeing the disruption of a unitary bid by the county council. I continue to work with the greater Exeter authorities on the GESP and with both the county council and district council leaders. Covid-19 has caused us to meet more frequently than anyone can remember.</p>
Strategic Finance	<p>This year has been like no other in terms of financial challenges, it is no exaggeration to say that one month into the lock down we were staring into an abyss, with the prospect of serving a114</p>

	<p>notice a distinct possibility. From the beginning of the crisis until Executive when we took the emergency budget I have been meeting the Chief Executive and Chief Finance Officer on a weekly basis to plan the strategy for addressing our finances. A shortfall of £11.2m against a gross budget of £35m, and a net budget of £14m is a significant shortfall. But we have been decisive in confronting the figures. However, very shortly we will need to confront the challenge of a £5.8m shortfall for the next three years.</p>
<p>Organisational Development: Agile & Flexible Programme (EX1)</p>	<p>The roll out of Agile and Flexible working across all Civic Centre staff was completed as planned by December 2019. The objective of relinquishing the Phase 2 building to exploit commercial rent opportunities to generate income was achieved alongside the following:</p> <ul style="list-style-type: none"> • 16 full day and 18 half day agile and flexible workshops involving 350 staff • Refurbishing of phase1 to provide shared office desks and spaces for all Civic Centre staff • Allocation of 325 new laptops replacing desk top machines • 52 people were not allocated with new laptops because they already have a work laptop. Most of these laptops are new and in good condition but replacement laptops will be offered to those staff using older models. • 21 people have been provided with individual solutions to identified H&S needs. Most of these cases were people having difficulty with adjusting their screen and chair heights. Guidance has been produced to address this and is now displayed on all workstations • 40% reduction in office space requirement • 73% (220/300 staff up to Cohort 6) of staff completed staff health check survey • Organisation wide productivity analysis completed • Phase 1 Tier 3 Leadership Development programme implemented for 24 tier 3 managers • 96 individual 2 hour coaching sessions for tier 3 managers <p>The success of this project is evident in the way staff have adapted to home working as the norm as a result of COVID 19. Where some services had not fully completed the transition to remote and agile working they resolved outstanding issues quickly to ensure the safe delivery of all critical services. Exeter Community Wellbeing was established using the principles and approach that underpinned the agile and flexible work and hotline response was operated 7 days a week with staff working from home.</p> <p>In anticipation of a potential lockdown SMB took the early decision to provide training and support for each Service Lead to revise and synchronise Business Continuity Plans (BCPS). Once the emergency plan was launched the BCPs were a vital tool in the day to day decision making process and assisted SMB in their decision making. Daily SMB briefings were put in place alongside</p>

	<p>twice weekly conference calls with all Service Leads to ensure a good flow of communications through the organisation. Given the intense pressure on the organisation SMB commissioned 1:1 support sessions for Service Leads from independent facilitators which incorporated a blend of support for both themselves and how to support their teams through the current challenges. This included coaching, mentoring, tips, signposting, insights and ideas linked into the values, behaviours, wellbeing around T-Cup and current Exeter City Council initiatives and programmes. The outcomes of this process have been very positive and well received.</p> <p>The TCUP wellbeing APP has continued to be promoted and recent training has been completed to increase uptake and given managers access to their local data to enable them to better support staff. SMB regularly review the TCUP data.</p>
Performance Framework	<p>A new Corporate Performance Framework was being developed through the Tier 3 Managers Leadership Development Programme as a practical demonstration of their development and joint working as a corporate team. However the formal stage of this process which was due to complete in March 2021 with SMB and Member workshops has been postponed due to COVID 19. This work will be picked up in 20/21 through the revised OD plan described below.</p>
Revised Organisational Development Plan 2020/21	<p>Directors have agreed a revised plan which has now been launched with the creation of a Corporate OD Project Team with representatives from each directorate. The purpose of the revised plan is to design and implement a business operating model to ensure future operating resilience and financial sustainability in the context of the need for new approaches following the COVID pandemic. This will be achieved by building on the:</p> <ul style="list-style-type: none"> • learning and achievements of our Agile & Flexible, ICT and Firmstep projects; • changes in our working practices through COVID Business Continuity Planning, and • increased number of customers choosing to access services through digital channels and by telephone, which has accelerated due to COVID <p>Why a Priority Now</p> <ul style="list-style-type: none"> • Significant loss of income and increased costs due to COVID with a need to find significant in year and recurring savings • Opportunity to create “the new normal” by exploiting positive changes in working practices and customer choices to ensure greater flexibility and resilience for staff and customers <p>Outcomes/Benefits</p> <ul style="list-style-type: none"> • Greater flexibility and resilience for staff and customers • Reduction in operating costs • Reduced need for office accommodation • New channels for customers to access services

- More modern ways of working that staff can help to develop
- Reduction in travel time and impact on congestion
- More efficient services
- Ability to attract and retain new talent

Design Principles/Goals

- Integrated delivery and generic roles (where it makes sense to do so)
- One team & one team culture
- Council wide Customer Contact Centre (virtual where possible to be so)
- Full digitalisation for staff & customers
- Agile, remote & mobile working the norm
- “Paperless” office
- Hot desking & smart office environment
- Improved productivity and efficiency
- Active travel to and for work

Constraints

- Maintain service delivery
- Must achieve reduction in net revenue budget
- This phase must be completed by March 2021 to ensure benefits realisation

Agreed Approach

- Set clear goals and constraints
- Provide strong leadership
- Build on what we have done well so far
- Co-design solutions with staff
- Objectively evaluate and adapt as we go

Preparation	SMB allocates resources, roles and responsibilities and agree governance and communication plans	May 2020
Phase One: Inception	Engage with Service Leads and frontline staff to review progress of all current digital projects and ensure all learning captured and built on	June 2020
Phase Two: Define and Deliver	Agree criteria for defining delivery projects underpinned by objective analysis of qualitative and quantitative data: set clear targets to focus delivery on benefit realisation	July – Dec 2020
Phase Three: Review	Evaluate delivery of outcomes and benefits realisation, publish final report	Jan 2021

Resource Plan

The Executive Support Team will form a temporary Corporate Organisational Change Team. Line management remains the same as now and Directors have agreed some minor functional

changes to increase capacity for the change programme

A Programme Management Office (PMO) approach will be used to align with the SE LDP Programme methodology and some cross fertilisation of skills, expertise and capacity will be utilised where the areas of work align (Active Workplaces/Active Travel/Evaluation and Insights).

The existing Firmstep Budget sitting within Executive Support will be aligned with the balance in the Transformation Fund allocated to Agile & Flexible for 20/21 (£105,000). To be used for capacity for digital re-design, further purchase of IT kit for extra 5th worker roles and consultancy support/expertise for delivery of the programme as required.

Outline Delivery Plan

Develop Leadership Capability	<ol style="list-style-type: none"> 1. Complete COVID Tier 3 Leadership Development Plan: 121 interviews and coaching sessions 2. Review and reform SMB/OMB interface and design and deliver revised communications and leadership development strategy to take us through recovery
Implement Target Operating Model	<ol style="list-style-type: none"> 3. Implement a virtual council-wide Single Customer Contact service building on the pilot work undertaken by Customer Services in 2019 and the model established for the COVID 19 response (Exeter Community Wellbeing). 4. Maximise every opportunity to shift face to face channels to digital processes building on existing and planned ICT projects and the successes of the Firmstep programme. 5. Review and streamline all business processes end to end to aid digitalisation and reduce “waste” work identified through the Productivity Analysis completed in 2019
Embed Agile and Flexible in the Civic Centre	<ol style="list-style-type: none"> 6. Amend office layout and signage to meet H&S /social distancing requirements 7. Review/remove where possible storage areas, surplus furniture etc. 8. Implementing the paperless office environment in full
Implement Agile and Flexible for other sites	<ol style="list-style-type: none"> 9. Embed A&F blueprint where possible to do so across all sites 10. Amend office layout and signage to meet H&S /social distancing requirements 11. Review/remove where possible storage areas, surplus furniture etc. 12. Implementing the paperless office environment in full (Belle Isle and Oakwood House ; RAMM, Bradninch House, ARC: Exeter Visitor

		Information Centre and Red Coats; Custom House Underground Passages; Corn Exchange; Matford Centre; Canal Office ; Guildhall)
	Monitor Staff Health and Wellbeing	13. Promote use of TCUP Health and Wellbeing APP and data feedback loop 14. Re-run 2019/20 staff health check survey (September) 15. Re-focus Active Travel work in light of acceleration of new operating model with solution focus groups (SE LDP) and propose new Active Travel Policy to replace Green Travel and associated policies
Strategic Communication	<p>The Communications Team is currently:</p> <ul style="list-style-type: none"> • Central to providing single reliable source of information during COVID-19. • Community campaigns included targeted metrics to banner campaigns on refuse lorries • First council to broadcast remote meeting and continue transparency. • Relaying key information with partners at Local Resilience Forum, Public Health England and Cabinet Office • Working with the Leader and Portfolio holders in promoting all Council policies • Leading on communications for services issues around coronavirus and the Recovery • Creating a range of content – media releases, video, pictures, graphics - for our own website, social media channels and for the media • Dealing with all media enquiries • Leading on all internal communications, including the staff newsletter • Continuing to monitor the city official Facebook group Exeter Coronavirus Updates, with attracted 7,124 members, mostly in the first week of the crisis. Since its launch in the middle of March, there have been 2,400 posts. • In the past 28 days, there were almost 300,000 post views, with around 2,500 comments and 6,000 around likes and shares. • In total, there has been more than 21,000 comments, all of which have been monitored, responded to or moderated, and more than 66,000 reactions. • Producing a weekly newsletter with key information and updates for 7,420 subscribers to our news service. • The last newsletter was opened 6,620 times, generating 1,868 clicks to content on our news website • Acting as the main source of information and publicity for business grants in partnership with the business community • Leading on the communications around the phased reopening of stores and bars in the city centre • Providing all City Council staff with key information on 	

	<p>homeworking</p> <ul style="list-style-type: none"> Coordinating publicity on the community response to COVID 19 in our 10 weekly Exeter Community Wellbeing blogs
Exeter City Living (Development Co)	<p>Beyond delivering the 1st and 2nd year business plan sites, Exeter City Living activity this year to date has included compiling and submitting their 3rd Year Business Plan for 2020-2021, commissioning and compiling recommendations for a revised governance and company structure and bringing forward a pipeline of future development opportunities for the Council to consider as part of a five year development programme.</p> <p>Below is a snapshot summary of ECL activity:</p> <p>Anthony Road – 3 homes</p> <ul style="list-style-type: none"> Homes completed and in the process of being conveyed to HRA pending council approval for budget allocation at July 2020 Council Meeting Contractual dispute with EBC satisfactorily resolved. <p>Bovemoors Lane – 10 homes</p> <ul style="list-style-type: none"> Remains on target for completion (December 2020) ECL acting as Development Agent for HRA <p>Hamlin Gardens – 21 homes</p> <ul style="list-style-type: none"> Tender for new contractor has been completed Start on site is anticipated September 2020 ECL acting as Development Agent for HRA <p>Thornpark Rise – 9 homes</p> <ul style="list-style-type: none"> Site closed on 23 March 2020 due to Covid-19. Confirmed notification that contractors will return to site on 13 July 2020 Site is due to complete 5/6 weeks from return to site (end August 2020) ECL to convey homes to HRA on completion Contractual dispute with EBC satisfactorily resolved. <p>Belle Isle Depot - 46 homes</p> <ul style="list-style-type: none"> Land purchase contract terms to be agreed with Estates Appraisals and due diligence is ongoing Included in ECL's 3rd Year Business Plan <p>Bonhay Meadows – 97 homes</p> <ul style="list-style-type: none"> Initial cost estimate and development appraisal have been completed The ECL team are in dialogue with the EA resolving the flood issues on this site, liaising with ECC planners over development potential Included in ECL's 3rd Year Business Plan

Cathedral & Quay Car Park – 167 homes

- Feasibility options study completed
- Included in ECL's 3rd Year Business Plan

Clifton Hill – 44 homes

- Planning application submitted, target Planning Committee meeting 7 September 2020
- Procurement strategy agreed
- Anticipated start on site late October 2020 (demolition)
- Included in ECL's 3rd Year Business Plan

EWSA Redevelopment – 46+ Build to Rent Homes

- Liaising with ECC planners over development densities
- Included in ECL's 3rd Year Business Plan

Magdalen Road Car Park – 228 homes

- Initial estimate and appraisal completed
- Included in ECL's 3rd Year Business Plan to improve viability

Mary Arches Car Park – 116 Build to Rent homes

- Topographical and Services surveys ongoing
- Included in ECL's 3rd Year Business Plan

The Depot (replacing Belle Isle Depot at Exton Road)

- Original feasibility study has been reviewed
- A risk and opportunity exercise has been undertaken
- Included in ECL's 3rd Year Business Plan
- ECL acting as Development Agent for Estates Team

Vaughan Road – Phase II – 92 homes

- Date to decant vulnerable people currently housed in the bungalows on Hill Lane to be confirmed by the HRA once post Covid-19 relocation enabled
- Brand identity proposals received and agreed in principle between ECC and ECL.
- Engagement with Cllr Williams regarding community artwork featuring on hoarding and agreement to continue liaison with community via project updates to Councillors
- ECL and HRA agreeing contractual arrangements for the main construction contract, Heads of Terms under review by HRA legal team
- ECL acting as Developer for 32 market sale homes and Development Agent for HRA for 60 affordable homes

Vaughan Road – Phase III – 24 – 36 Homes

- Sketch scheme costed
- Appraisals and due diligence currently on hold pending HRA instruction

Wonford Health & Wellbeing Centre

- Feasibility study proceeding and design team appointed

	<ul style="list-style-type: none"> Initial community engagement commenced but was hindered by Covid-19 The team have now started to re-engage the community and GP practice The consultation launched live 'online' w/c 22nd June, with face to face meetings and events likely to be August 2020 (Covid-19 depending) <p>Exeter Arena Park – 103 homes</p> <ul style="list-style-type: none"> Joint potential development with HRA Included in ECL's 3rd Year Business Plan <p>ERADE</p> <ul style="list-style-type: none"> ECL have in principle received authority to pursue a joint venture proposal with Acorn Developments to develop 146 new homes on the former ERADE site on Topsham Road. A funding restriction of £6million loan provision has been indicated. ECL working up potential proposal for Council consideration and approval. <p>RD&E Key Worker Accommodation – 400 to 600 beds + ancillary facilities</p> <ul style="list-style-type: none"> Proposal presented to Leader of Council, Chief Executive and SMB Decision taken to not proceed in submitting a bid due to funding need and the project's financial profile which does not align with the Council's medium-term financial plans ECL invited to provide consultancy for a RP who are working up a bid submission <p>RD&E Health Campus</p> <ul style="list-style-type: none"> Consultancy work on this opportunity has been put on hold due to Covid-19 <p>RD&E Multi Storey Car Park</p> <ul style="list-style-type: none"> ECL have on the instruction of ECC Estates been working up development proposals for a new multi storey car park to be leased to RD&E As a consequence of Covid-19, RD&E have confirmed that they no longer want to pursue this opportunity <p>Topsham Road Site – 50 homes</p> <ul style="list-style-type: none"> ECL submitted an offer to purchase this freehold site. ECL's offer was unsuccessful <p>HRA Business Plan Development Opportunities ECL working with HRA to assist them in pursuing their development pipeline alongside opportunities of S106 and affordable homes via the ECL development programme</p>

Commercial and property assets (includes redevelopment of Paris Street/Sidwell Street, Exeter City Centre)

During COVID-19 onset:

- Established rent deferral agreements with business tenants to ease cashflow of closed businesses
- Rolled this out to establish a basis for further concessionary terms by negotiation, thereby limiting risk of early business closures
- Kept Exeter Business Centre open for its occupants throughout
- Liaised with building managers to determine a list of assets that would/could be closed
- Negotiated temporary amendments to maintenance and compliance contracts to minimise expenditure and wasted attendance
- Identified potential in year savings to minimise current financial year expenditure
- Progressed the Smartgrid and solar field project so as not to lose momentum on this crucial carbon saving project

Coming out of lockdown:

- Continuing to liaise with business tenants to assist their recovery plans
- Progressing the CityPoint development project
- Working closely with building managers and contractors to ensure rapid reopening of facilities
- Establishing a quick and simple procedure for outdoor tables and chairs licences for food and drink operators in the City.