

## **EXECUTIVE**

Tuesday 7 February 2023

Present:

Councillor Bialyk (Chair)

Councillors Wright, Denning, Ghusain, Morse, Parkhouse, Pearce, Williams and Wood

Also present:

Councillor Jobson (as an opposition group Leader); and

Councillor D.Moore (as an opposition group Leader).

Apologies:

Councillor K. Mitchell (as an opposition group Leader)

Also present:

Chief Executive & Growth Director, Deputy Chief Executive, Director Corporate Services, Director Net Zero Exeter & City Management, Director of City Development, Director Finance, Service Lead Net Zero & Business, Service Lead Housing Needs & Homelessness, Asset Management Lead, Organisational Transformation Programme Lead and Democratic Services Team Leader

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### **MINUTES**

The minutes of the meeting held on 10 January 2022, were taken as read, approved and signed by the Chair as a correct record.

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### **DECLARATIONS OF INTEREST**

A Member declared the following interest:-

- Councillor Wright - Minute No. 25.

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### **QUESTIONS FROM THE PUBLIC UNDER STANDING ORDER NO. 19**

No questions from members of the public were received.

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### **UPDATE ON THE RECRUITMENT APPOINT A NEW CHIEF EXECUTIVE AND HEAD OF PAID SERVICE**

The Leader advised that a report for noting would be presented to Council on 21 February 2023, which would outline the process for recruiting a new Chief Executive and Head of Paid Service. He confirmed that, in accordance with Standing Orders, the post would be internally advertised from 8<sup>th</sup> February 2022, with interviews expected to take place in March 2023. A report on the appointment would be brought to Council for approval.

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### **URGENT MATTER - RESPONSE TO THE DRAFT EAST DEVON LOCAL PLAN UPDATE CONSULTATION**

The Executive noted the urgent matter of the response from Exeter City Council to the Draft East Devon Local Plan Consultation, run by East Devon District Council until 15th January 2023.

Members were advised that due to the timings of the consultation and Exeter City Council's meeting dates it was not possible for the Executive to consider a draft response in advance of its submission and that the response to the consultation was treated as an urgent matter. In accordance with the Council's Constitution, it had been discussed with the Council Leader, the Portfolio Holder for City Development and Planning and the Chair of the Strategic Scrutiny Committee.

Members noted that the response letter identified concerns relating to East Devon having consideration to Exeter City Council's proposed development Strategy for brownfield sites to protect surrounding greenspaces. All other local District Councils were also being asked to consider the implications of large scale development on the edge of Exeter to ensure sustainable development.

**RESOLVED** that the urgent matter be noted.

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#### **GENERAL FUND / HRA ESTIMATES AND CAPITAL PROGRAMME 2023/24**

The Executive received the report on the proposed General Fund revenue estimates for 2023/24 and recommending the Band D level of Council Tax for 2023/24. This report also included the proposed Capital Programme for 2023/24 and future years, and the proposals in respect of the Housing Revenue Account.

Particular reference was made to the following:-

- The provisional settlement for the General Fund Revenue position was received in December 2022 and final settlement was received on 6<sup>th</sup> February 2023, which indicated that the final settlement was the same as the provisional settlement for the city.
- The New Homes Bonus was confirmed as £672,000 for its final year. An announcement was expected from the Government on a new replacement scheme for future years.
- There had been considerable financial pressures faced by the Council, with a significant funding gap following additional budgeting for the national staff pay awards. The reductions required were over £6 Million, however funds set aside during the Covid Pandemic had been used to reduce the impact for the financial year, leaving a £3 Million saving to be made to balance the budget.
- The One Exeter programme had been set up to help address the funding shortfall, the outcome of the work had enabled the Council to propose a balanced budget which identified additional sources of income and service reductions totalling £3.7 Million.
- The Government had extended its non-domestic energy support package, which the tariff had been set below the level budgeted for.
- The Council had previously supported another Council in its claim that Leisure services should be classified as non-business for VAT. It had been widely reported that HMRC were expected to announce that they accept Leisure services being classified as non-business for VAT, which would mean much of the Leisure income would no longer attract VAT.
- The Council Tax being proposed for Exeter City Council was £175.13 for Band D properties which was a rise of £5.08, at 2.99%, which was the maximum amount allowed before triggering a Referendum.

- There were similar cost pressures for the HRA. The Government had announced a limitation on rent increase to 7%, which was lower than 11.1% inflation rate. A balanced budget had been set, however the amount of minimum reserves for the HRA had been reduced.
- Borrowing costs for the General Fund Programme had significantly risen during the previous six months. The Capital Programme had been reviewed by the Corporate Property team and Engineering team to identify the highest priority projects for Health and Safety matters and a revised programme had been submitted. The work involved had been in-depth and the proposals presented to Members were based on officer recommendations.
- The Capital Programme was monitored on a quarterly basis and there was a process for Members to request projects being put back onto the programme once affordable funding has been identified.
- The HRA Capital Programme was significant, totalling £19.3 Million, of which £11.8 Million would be used to make improvements of existing housing stock, whilst £7.5 Million would be put toward the provision of new Council homes.

The Leader highlighted the officer recommendations, which would be supported and emphasised the need for the Capital Programme to be reviewed. The Leader moved an additional recommendation to the Capital Programme as follows:-

- That Council approve £100,000 for the refurbishment of St. Thomas Splashpad, enhancing its life and ensuring that it is available for use as soon as possible. As with other proposed replacements of play equipment, it is proposed to fund the project using CIL.

It was explained that the reason for the additional recommendation was that the facility was an important asset to the residents in St. Thomas and other Wards in the city.

Councillor D. Moore, as an opposition group leader, spoke on this item. She acknowledged the serious impact of the budget cuts on both discretionary and statutory services and enquired on what engagement and information will be undertaken with the public on the proposed budget cuts?

The Leader advised that he would provide responses to the questions raised.

During the discussion the following points were raised:-

- thanks were given to the Director Finance for the work on the report, Members briefings and information provided to all Councillors.
- the Council Tax rate for Exeter would be lower than other areas and the work undertaken to date was commended;
- thanks were also provided to the officers, Directors, and Service Leads, for undertaking difficult decisions to help set a balanced budget;
- the inclusion of the St. Thomas Splashpad onto the Capital Programme was welcomed and would be a benefit for residents and communities;
- it was a difficult period for the HRA but a fair budget had been set which would continue to support providing decent homes for tenants; and
- The budget would enable the Council to continue to provide an affordable and quality service to its residents.

In response to a Members' question, the Director Finance advised that when the HMRC make the announcement on removing VAT from leisure services, then any reclaim of VAT would be back dated to 2021 when leisure services were brought in-house.

Following the discussion, the Leader moved and was seconded by Councillor Wright to amend the first recommendation in the report which was voted for unanimously and supported.

**RECOMMENDED** that Council:-

- (1) approve the overall spending proposals in respect of its revenue and capital budgets;
- (2) approve the Council Tax for each Band be submitted to the Council as set out in section 8.19.3 of the report, subject to Devon County Council, the Office of the Devon and Cornwall Police and Crime Commissioner and the Devon and Somerset Fire Authority confirming their Band D levels respectively;
- (3) approve the revised Council Tax levels submitted to Council on 21 February 2023, when the actual Council Tax amounts for Devon County Council, Devon and Cornwall Police and Crime Commissioner and the Devon and Somerset Fire Authority are set; and
- (4) that Council approve £100,000 using CIL funding, for the refurbishment of St. Thomas Splashpad, to enhance its life and ensuring that it be available for use as soon as possible.

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#### **CAPITAL STRATEGY 2023-24**

The Executive received the report which sought approval of the Capital Strategy 2023/24. The report provided Members with details on the longer-term policy objectives and the resulting Capital Strategy requirements, governance procedures and risk to the Capital Programme.

Particular reference was made to the main change in the financial year that the increase in borrowing and amended approach to setting the Capital Programme, with a focus on health and safety has been stressed in the Strategy.

**RECOMMENDED** that Council approve the Capital Strategy as set out in Appendix 1 of the report presented at the meeting.

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

The Executive received the report on the proposed 2023/24 Prudential Indicators for capital finance for adoption by the Council and set the annual statement of Minimum Revenue Provision (MRP), which would be incorporated within the Budget Book for approval at the full Council meeting as per the statutory requirement.

Particular reference was made to the following:-

- The Minimum Revenue Provision statement provided an analysis of how the Council sets aside a statutory amount for the repayment of debt. The Council opted to use the Asset Life Annuity method, which allowed the Council to repay the cost of borrowing in a similar manner to a repayment mortgage. The Council only had to set aside an amount which relates to borrowing for capital assets.

- The MRP payments allowed for voluntary repayments of debt and as of 2023, the Council still had over payments of £3.86 Million. The proposal in the report would result in a MRP charge for 2023/24 of £1.783 Million.
- The Prudential Code provided a range of indicators to allow Members to analyse Capital expenditure and the amount of debt. The code was split between the MRP indicators for the Capital Programme and Treasury management.
- The Capital Financing requirement set out how much the Council needed to borrow to finance the Capital Programme, the operational boundary indicator was the amount of borrowing the Director Finance was allowed to make and the authorised limit was the total amount of debt allowed to be borrowed.

Councillor D. Moore, as an opposition group leader, spoke on this item. She enquired at what point would financing costs be considered unsustainable for the General Fund.

The Leader advised that he would provide responses to the question raised.

**RECOMMENDED** that Council approve the adoption of:-

- (1) the Prudential Indicators set out in Appendices A-C of the report presented at the meeting; and
- (2) the Annual Statement of Minimum Revenue Provision for the Council.

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### **TREASURY MANAGEMENT STRATEGY REPORT 2023/24**

The Executive received the report which sought the adoption of the Treasury Management Strategy Report and the incorporated Annual Investment Strategy 2023/24, as required under section 15(1) (a) of the Local Government Act 2003.

Members noted that the Department for Levelling Up, Housing and Communities (DLUHC) Guidance on Local Authority Investments required the Council to approve an investment strategy before the start of each financial year, which included both financial and non-financial investments.

There were no significant changes to report, however Members were provided an overview of the liability benchmarking included with Appendix 1 of the report, which highlighted the new indicators from the Prudential Code for the Treasury Management Strategy on analysing borrowing.

Councillor D. Moore, as an opposition group leader, spoke on this item and enquired that the report stated there were no Net Zero or climate change implications, but investments were being made in certain banks such as Barclays and what advice was being received in relation to achieving Net Zero targets?

The Leader advised that he would provide responses to the questions raised.

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

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### **EXETER COUNCIL TAX PREMIUMS 2024/25**

The Executive received the report which sought Member's agreement to the levying of Council Tax premiums within the City, which would take affect from 1 April 2024, subject to the Levelling Up and Regeneration Bill (Bill 169 2022-23) receiving Royal Assent.

The policy was designed to encourage taxpayers to use or allow others to use premises as their main residence and enable empty properties to be brought back into use, while providing funding to the collection fund which will be shared between the Council and the major precepting authorities in line with their share of the Council Tax.

Particular reference was made to the following:-

- The changes outlined in the report would allow the Council to charge a premium for empty properties after one year and further premiums for properties which have been empty for more than five years.
- Although the Levelling Up and Regeneration Bill was pending Royal Assent, the Council needed to approve the recommendations before March 2023, to provide the required 12-month notice period in respect of the proposed changes.
- It was estimated that there would be an additional £1.5 Million in income from Council Tax, of which around 8% would be received by the City Council.

Councillor D. Moore, as an opposition group leader, spoke on this item. She welcomed the proposals. She advised that she would welcome a discussion with the Leader about a proposal to potentially increase the supply of housing by retaining single person relief for those renting out rooms.

Members welcomed the report and clarification was given that owners of empty homes were contacted to bring them back into use.

The Leader advised that there was a Housing Strategy being undertaken and homes was a focus in the potential Tier 2 devolution model. He further advised that the Council Tax premiums were specific to the proposal and an additional recommendation on single person relief was a separate matter to recommendations in the report.

**RECOMMENDED** that Council:-

- (1) approve the application of the current premium of 100% for all dwellings which are unoccupied and substantially unfurnished (empty dwellings) from a period of one year with effect from 1st April 2024;
- (2) approve the application of a premium of 100% for all dwellings which are unoccupied but substantially furnished with effect from 1st April 2024; and
- (3) grant delegated authority to the Section 151 Officer to implement the policy in line with the Council's requirements and any guidance given by the Secretary of State.

The Executive received the report on the annual review of the One Exeter work programme and the plans for the next 12 months. The One Exeter work programme was initially agreed by Executive in February 2021 and aimed to deliver a fit for purpose organisation and meet the requirements of the Medium-Term Financial

Plan (MTFP). This report focusses on those elements of the work programme that aim to deliver a fit for purpose organisation.

Members noted that significant work had been undertaken by the Strategic Management Board (SMB) and Operational Management Board (OMB) and the One Exeter team and also noted the involvement of the Trade Unions. A Staff Sounding Board has also been established to give employees from every service a voice on the programme. The work had also included discussion and oversight from the Leader and Deputy Leader.

Particular reference was made to the work undertaken over the previous 12 months, which included:-

- The formation of an employee wellbeing framework which was developed with staff, and informed by a recent staff survey. The framework would be reported to SMB in February 2023.
- A draft values and behaviours framework had been developed to reflect what staff feel is important for the organisation in the future. It is intended that the new framework will help to advance joined up and cross service working. The draft values and behaviours will be shared with Members.
- Performance and development reviews were being introduced and will enable employees to reflect on their performance and how they have demonstrated the values and behaviours.
- Service reviews were undertaken to identify opportunities to deliver a fit for purpose organisation and identify a 15% budget reduction over the life of the Medium Term Financial Plan. Proposals identified for 2023/24 were included as part of the budget setting process. The reviews have also identified potential proposals for subsequent financial years.

Going forward, over the next four months there will be a focus on developing the customer access strategy to establish a vision for how the Council will interact with and support customers in the future. The strategy will be presented to Members in due course. Work was also being undertaken for an organisational re-structure, which was scheduled for April 2024

Councillor D. Moore, as an opposition group leader, spoke on this item. She welcomed the report and noted the large amount of work involved, welcoming staff involvement. She enquired about the customer access strategy and addressing the widening inequality in Exeter and how it would affect customer needs. The Leisure service review showed leisure services as being cost neutral, and she asked whether there was a timescale attached to this.

The Leader advised that he would look at issues of widening inequalities but issues will be picked up as the work progressed.

During the discussion the following points were raised:-

- Staff who have led and engaged with the programme were commended, particularly ahead of the Covid Pandemic, which allowed staff to work remotely and introduce hybrid options to continue dealing with the needs of the city; and
- Services are being continually reviewed and change is difficult, however, staff have been positive with engaging with the process to help develop efficient systems and address implications of budget cuts.

In response to questions raised by Members, the Deputy Chief Executive advised that the Council would be working to create a new culture for how it interacts with customers but that there will be channels and support available for customers without access to online services or who have complex needs. Work would be undertaken to improve accessibility of the Council website and customer insight would be used to test ideas and changes.

**RECOMMENDED** that Council note the progress with the programme.

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### **ANNUAL PAY POLICY STATEMENT 2023/24**

The Executive received the report on the Council's Annual Pay Policy Statement 2023/24, which was a statutory requirement requiring approval by Full Council each financial year in line with legislation, which the Council was obliged to publish.

Members were advised that there were three statutory Chief Officers at the Council - the Chief Executive and Head of Paid Service, the Council's Monitoring Officer and Section 151 Officer. Members were referred to the remuneration for the Chief Officer roles in the Appendix 1 of the report, which outlined the pay grades for the Chief Officers and the median relationships between the pay earnings.

Members noted that the Pay Policy stated that the pay multiple of the Chief Executive would be monitored annually and should it fall between the annual salary paid to a full time employee on the lowest spinal column point or if the annual full time salary payable to the Chief Executive became greater than 10, then a report would be brought to full Council for Member's consideration.

**RECOMMENDED** that Council:-

- (1) approve the Pay Policy and Appendices for publication in accordance with the legislation; and
- (2) grant delegated authority to the Director - Corporate Services to make necessary amendments to the pay policy statement following any changes in legislation or subsequent increases in pay.

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### **GENDER PAY GAP REPORT**

The Executive received the report on the Gender Pay Gap, which was a statutory requirement of the Equality Act 2010 (Specific Duties and Public Authorities) Regulations 2017, for local authorities who employed over 250 or more employees.

Members noted that the average rate of pay for females was higher than males at Exeter City Council and the difference had decreased from 5% in the previous year to 3.91%. Members also noted that there were nearly three times the number of males working in lower quartile earnings than female staff.

Particular reference was made to the national survey on gender pay gaps from the Office of National Statistics (ONS), which highlighted that the median pay was 8.3% less for females than males, which was the opposite at Exeter City Council. The ONS survey also highlighted that the overall gap between female and male pay had been decreasing since 1997, but showed the overall average female pay gap for part time working was 2.9% higher than that of males.

During the discussion the following points were raised:-



- The Council should be proud that women were paid more, compared to the national trend; and
- Due to the historic nature of certain jobs, male staff were in lower paid jobs, while there were more female staff in management roles, which was welcomed.

The Leader commented on the ONS data, which showed the pay rise issues across the country and reflected on the cost-of-living crisis. He was pleased the Council supported its staff and honoured pay rises and working with the trade unions.

**RECOMMENDED** that Council:-

(1) note the Findings and Observations as follows:

- the average rate of pay for females is higher than males across the Council;
- the difference had decreased slightly since last year from 5.00% to 3.91%; and
- there were nearly three times more males in the lower quartile of earnings than females.

(2) approves the publication of the Gender Pay Gap Report on the Exeter City Council website, as well as on the centrally held database on gov.uk; and

(3) approves the annual review of the report to track the relationship between both female and males earnings.

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### **EXETER HOMELESSNESS & ROUGH SLEEPING PREVENTION STRATEGY 2023 - 2027**

The Executive received the report requesting approval of new homelessness and rough sleeping prevention strategy 2023-2027, to note the achievements of the previous 2016-2021 strategy and the findings of the 2022 homelessness needs assessment. The Strategy, would cover a five-year period until 2027 and contained five high level priority areas, which were outlined in report presented.

Particular reference was made to the Strategy and priorities, which were based on evaluation feedback from various stakeholders, outcomes from the previous strategy, the findings and data from the needs analyses from 2022, stakeholder feedback and representation from partnership agencies who were involved with the Homelessness Task and Finish Group.

A draft of the Strategy document went out to public consultation between November and December 2022, with nearly 90% of the feedback in support of the priorities with some concerns regarding ultimate delivery. However, action plans would be co-designed with stakeholders with a completion date for the delivery plans set for the end March 2023 to be implemented from 1st April 2023.

Members noted that the strategy was not an Exeter City Council document per se but a wider joint working document to incorporate partners and joined-up work streams. Actions of the strategy would look to include the recommendations from the Homelessness Task and Finish Group, plans for which would be integrated into the Strategy action planning. Members further noted that there was a priority on establishing a board focussing on homelessness reduction, which would consist of a range of stakeholders and partners.

Councillor D. Moore, as an opposition group leader, spoke on this item. She welcomed the report and enquired on the partnerships and whether the report would be submitted to the various partners for signing off? She further enquired how

the strategy would relate to the Council Housing Advisory Board for matters relating to tenants and mediation on Council services.

During the discussion the following points were raised:-

- the report was welcomed and thanks were given to the team for the work undertaken;
- thanks were also given to the Portfolio Holder for Customer Services & Council Housing for requesting the formation of the Homelessness Task and Finish Group, during their time as the Chair of the Strategic Scrutiny Committee;
- the Government's short term approach to funding would make delivering an end to rough sleeping by 2024 difficult; and
- homelessness was a challenging area with many constraints, however the Strategy was a great opportunity to bring a level of excellence to the city and working with partners would support bringing the ambitions forward.

The Leader commented on the volume of work undertaken between 2019-2022 with various partners and stakeholders and recognised the work they had undertaken with communities.

**RECOMMENDED** that Council approve the strategic priorities for the new Homelessness Strategy and the proposed governance arrangements.

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### **NATIONAL PORTFOLIO ORGANISATION FUNDING 2023 TO 2026**

Councillor Wright presented the recommendations of the report and declared a non-pecuniary interest and left the meeting during consideration of the following item.

The Executive received the report which sets out the recommendations for £147,000 per annum of funding to the National Portfolio Organisations (NPO's), following the announcement of Arts Council's England's investment programme.

Exeter City Council had previously supported grant funding to the National Portfolio Organisations over a three-year period, which was due to end in March 2023. The report sought approval of funding to the four organisations listed in the report for a total of £147,000 split between the four organisations.

Particular reference was made to the funding allocations making a reduction of £100,000 a year; however the funding would be reviewed on an annual basis, to monitor the impact the funding has had on the organisations.

Councillor D. Moore, as an opposition group leader, spoke on this item. She enquired on the annual time frame for funding reviews. The organisations as charities, would require notice of any future funding cuts. Assurance was sought from the Portfolio Holder, that the organisations would be notified in the autumn period each year.

The Leader advised that the timing of future funding reviews for the National Portfolio Organisations was partially out of the Council's control and that organisations would be notified accordingly.

During the discussion the following points were raised:-

- arts and culture was important for the city and the decision to cut back on funding was difficult, though it was noted that Exeter City Council had continued to fund organisations where other authorities had ceased funding; and

- during times of uncertainty for residents, having access to arts and culture was very important.

**RECOMMENDED** that Council approve:-

(1) approve the funding in accordance with the table below:

<b>Organisation</b>	<b>Annual Funding</b>
Exeter Phoenix	£75,000 plus £51,000 rent grant
Exeter Northcott Theatre	£57,000
Exeter UNESCO City of Literature	£5,000
Libraries Unlimited	£10,000
<b>TOTAL</b>	<b>£147,000 plus £51,000 rent grant</b>

- (2) approve the new service level agreements for 2023-26 based on the agreed National Portfolio Organisations business case for delivery; and
- (3) note the three year commitment and annual reviews to take into account the Council's financial position.

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### **PARKING TARIFFS 2023**

The Executive received the report on the proposed amendments under the Parking Places Order to improve the regulation of Council car parks and to support the aims of reducing traffic congestion and addressing the goal of a carbon neutral Exeter by 2030.

The recommendations in the report were developed and researched as part of the One Exeter programme and it was anticipated that they would support generating an annual income of over £10 Million to the Council. This would include sales from existing daily car park tickets, parking permits, Penalty Charge Notices and rental income. As part of the proposed changes, what the parking fees funded would be presented to customers of the car park.

Members noted that car parking had not recovered to pre-Covid figures, with some commuters still working from home, either full time or part time, which would have a longer term impact on car parking across the city. However, footfall in the city had increased by 0.1% from the 2019 figures.

Particular reference was made to the income being set aside for maintenance and a schedule of work to improve the look of car parks, safety and carbon reduction was being undertaken. Members also noted that body cameras for the enforcement team would be purchased through the Shared Prosperity Fund.

The next stage of work would be focussed on the implementation of the car parking strategy review to encourage the use of electric vehicles and decarbonising car parks. Work would also begin on attaining a Parking Places Order.

The Director Net Zero and City Management expressed his thanks to the Service Lead Net Zero & Business for the work undertaken and the consistent approach taken.

Councillor D. Moore, as an opposition group leader, spoke on this item. She sought clarification on the charge periods outlined in the report.

The Leader advised that the chart outlined in the report was the correct charge period.

During the discussion the following points were raised:-

- advertising what the car parking fees contributed to the city would be welcomed by residents;
- the report was welcomed and added a fresh approach to car parking, notably the allocation of money to improve security and cleansing of car parks; and
- the report moved car parks away from premium car parks and zoning additional car parks centrally would also support reducing the number of vehicles in the city centre whilst improving the footfall figures.

**RESOLVED** that the Car Park Places Order 2014 be amended as follows:-

- (1) to change the zoning of a number of City Centre car parks;
- (2) to change the 'Premium' zone to 'Central';
- (3) to extend the charge period from 8am - 6pm to 8am - 10pm for all Central and Zone 1 Car Parks, and for Car parks located in Topsham from 9am - 5pm to 8am - 6pm;
- (4) to increase the fee to purchase a seasonal parking permits and increase the number of city centre car parks that accept a seasonal parking permits;
- (5) to increase the fee to purchase a discounted business and residential parking permit;
- (6) to charge for events held in City Council car parks;
- (7) to introduce a fee for electricity use through Electric Vehicle charge points in City Council car parks;
- (8) to charge owners of electric vehicles that qualify for a residential parking permits; and
- (9) to set aside £72,000 from the additional income for maintenance and improvements to city centre car parks and carbon reduction measures.

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### **ONE EXETER – COST REDUCTION PROPOSALS**

The Executive received the report on the One Exeter Cost Reduction Proposals to reduce costs across the Council in 2023/24 to deliver a fit for purpose organisation and meet the requirements of the Medium Term Financial Plan (MTFP).

The report responded to the challenges to identify a balanced budget for 2023/24 by reducing the Council's costs. The outlined proposals had been formed through a detailed review of discretionary services, a review across all services and additional proposals identified by the Strategic Management Board. The full details were contained in Appendix B. Appendix A of the report was a Part 2 item due to containing information which may identify individual staff.

The Deputy Chief Executive expressed her thanks and commended the Strategic Management Board, Operational Management Board, Trade Unions and Portfolio Holders and all who had worked on delivering the proposals in addition to their regular responsibilities.

Particular reference was made to the following:-

- The proposals would amount to over £3.9 Million of savings but there would be an impact on staff. A large proportion of the General Fund is staff costs and where cost reductions have been made.

- The Organisational Change Policy had been followed to form a carefully scrutinised business case and consultation with staff had commenced.

The Leader advised that the meeting would need to be moved into Part 2 in order to discuss and vote on the business change proposals contained in Appendix A of the report.

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

In accordance with Regulation 5, Paragraph 5, Part 2 of The Local Authorities (Executive Arrangements) (Meetings and Access to Information) (England) Regulations 2012 concerning the procedures prior to private meetings. The details of the representation had been included on the agenda with the statement of response to the representation.

The Leader advised that the reason for the exemptions was that it was in the public interest to maintain the exemption as the report was making a recommendation to Council and therefore the 28 day notice period did not apply.

The Leader moved and was seconded by Councillor Wright to move the meeting into Part 2, was voted for unanimously and supported.

**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 items on the grounds that they involved the likely disclosure of exempt information as defined in paragraph's 2, 3 and 4 of Part 1, Schedule 12A of the Act.

30 **ONE EXETER – COST REDUCTION PROPOSALS**

The meeting was moved into Part 2 to allow a full discussion on the details contained in Appendix A of the report.

The Chair opened the debate for discussion with Members and Opposition Leaders. Councillor D. Moore, as an opposition group leader, spoke on this item. She enquired on whether there would also be public engagement on the budget cuts.

It was confirmed that appropriate statutory consultation had been undertaken. The challenging timescales to develop proposals for cost reductions as a result of the increased financial challenge for the Council has meant that it was not possible to do meaningful public consultation for setting the budget for 2023/24 but public consultation would be an area of focus for setting future years' budget.

Members debated the report and thanked the Directors and Officers for the report and addressing a difficult matter in a fair manner.

**RECOMMENDED** that Council approve:-

- (1) the initial Organisational Change Business Case proposals set out in Appendix A of the report, which was a Part 2 item, containing personal information identifying members of staff; and
- (2) the cost reduction proposals set out in paragraphs 8.4 to 8.8 and detailed in Appendix B of the report presented at the meeting.

31 **CITY CENTRE PARKING**

The Executive received the report on terminating the existing lease on the Exeter Market Street car park, for the City Council's own use. The proposal would provide a new income stream to the City Council, to support our Medium Term Financial Plan and address issues of anti-social behaviour within this particular car park.

There would be a cost to terminate the lease, to compensate NCP of £100,000, as well as an income of £55,000 to the City Council. Members were provided with an overview of the one off costs required to bring the car park in house.

The car park was expected to generate an annual income of between £96,000 and £170,000 a year. Members noted that a business case would be brought forward on refurbishing the car park as a secure city centre car park, which would include the results of a public consultation for views on requirements for a secure city centre car park.

In response to a Member's question, the Director Corporate Services advised that parking tenants were entitled to an automatic renewal and a longer term notice would need to be provided on compensation in order to terminate the tenancy.

**RECOMMENDED** that Council approve:-

- (1) for the City Surveyor to take the necessary steps to terminate the existing lease of the Exeter Market Street car park, on the grounds that it is required for the Council's own use, as a public car park;
- (2) that the Market Street car park be included in the Council's Parking Places Order and placed within the Central zone; and
- (3) for the Service Lead for Net Zero & Business to write a business case to re-develop the car park into a city centre secure car park.

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### **VAUGHAN ROAD DEVELOPMENT SITE**

The Executive received the report on the financial position, viability and the capital and grant requirements to deliver the first phase of the Vaughan Road development scheme, following received tenders for the first phase. The report also outlined the procurement arrangements for the next phases and overall cost expectations for the entire scheme.

Members noted that the Brownfield site viability had been a challenge, but would provide 35 new affordable homes for the HRA as part of Phase 1, which would be covered through existing borrowing funds. Phases 2 and 3 would look to provide 91 homes in total.

Members welcomed the report and thanked officer for their hard work and engagement with tenants.

**RECOMMENDED** that Council:-

- (1) note the content of the report and the funding arrangements to deliver phase A of the scheme;
- (2) agree for up to £5 Million of capital spend to be retained from Right to Buy receipts to deliver the first phase of the scheme, to deliver 35 new homes (and a community room) into the Housing Revenue Account (HRA). This is in addition to the £9.2 Million already borrowed and approved for the scheme;
- (3) note that there would be an expected additional budget (borrowing) of £13 Million required to deliver the remaining 56 homes on the site, across two

- phases, and further reports would be submitted to Members on each of these phases; and
- (4) approve that a Development Agreement be entered into with Exeter City Living Limited, to carry out and complete the first phase of Development together with the second and third Phases being conditional upon further Council approval.

(The meeting commenced at 5.30 pm and closed at 7.52 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 21 February 2023.**