

## SCRUTINY COMMITTEE - ECONOMY

1 July 2004

### Present:

Councillor Browning (Chair)

Councillors D.Baldwin, M.G. Baldwin, Bennett, Branston, Choules, Dalby, Evans, Griffiths, Hannaford and Moore.

Director Economy and Development, Head of Economy and Tourism, Transportation Strategy Officer and Member Services Officer (HB).

### Also present:-

Councillor Mills : Portfolio Holder Planning and Transport.

Councillor Shepherd : Portfolio Holder Economy and Tourism.

### 37. **Minutes**

The minutes of the meeting held on 4 March 2004 were taken as read and signed by the Chair as correct.

## MATTERS FOR CONSIDERATION BY SCRUTINY COMMITTEE – ECONOMY

### 38. **Exeter and Heart of Devon Economic Partnership – Economic Development Strategy 2004-2008**

The Head of Economy and Tourism presented the report seeking Members views on the emerging sub-regional economic development strategy covering the period 2004-2008.

Officers' responses to the respective queries/statements of Members are set out below:-

- surprised that manufacturing is at a relatively low level in Exeter and concerned at low income levels in the City. The Council should seek to work closely with Government agencies to focus on closing the income gap. Exeter College ran three catering courses at the beginning of the academic year but there was considerable fall out by the end of the year.

*The main focus of manufacturing is in the Newton Abbot area with some in mid Devon and east Devon and this pattern is unlikely to change. Low income levels amongst a significant proportion of the population is a key issue to address and a number of initiatives are also being developed for example by Job Centre Plus etc. which the Council needs to consider how to work with. The introduction of the minimum wage has made a contribution to addressing this issue and no adverse effects of this have been brought up in other forums such as the Exeter and Heart of Devon Partnership, nor has it been mentioned by the tourism sector. Exeter Job Centre Plus vacancy manager provides information on wage levels and there is*

*evidence that the gap is beginning to reduce. The attraction of new employment and the setting up of new businesses is also important to address the problem.*

- Can the Atkins report reflect more fully the recent decision of the County Council to sell Exeter International Airport, necessitated by the high level of capital investment required?

*The decision can be emphasised, although this will not impact on the overall strategy. It does provide an opportunity for additional land to be brought forward at an appropriate time.*

- Is the further education sector addressing the need for improving qualifications of youngsters e.g. additional apprenticeships etc?

*The construction industry has picked up significantly over recent years and Exeter College and East Devon College will open a training facility for construction skills at Sowton in September. Workforce Development Plans are being progressed in East and Mid Devon with the intention of focusing on vocational training.*

- Will the Science Park be up and running in time for the results of the University's internal audit on research capability in 2008?

Can Animated Exeter be linked into ICT initiatives?

It is important to develop initiatives to encourage young people to remain in the area.

*Good progress is being made with the Science Park with liaison with stakeholders and potential funders including the RDA, the University, Devon County Council, East Devon District Council, the Met Office and the Environment Agency. A meeting was recently held with the University Vice-Chancellor and it is likely that the park will have made a good start within 4 to 5 years.*

*Proposal for linking Animated Exeter more closely with ICT can be pursued particularly as it is a useful mechanism for highlighting career opportunities in ICT.*

*It is widely accepted that encouraging young people and graduates to remain within the area should be an important strand of the overall strategy. There is a need for an on-going discussion on the whole issue of raising aspirations including identification of who is to lead on the issue. It is important for the community to encourage higher aspiration – potential lead could be from a number of areas such as the City Council, education, parents, Vision Partnership or the Exeter Business Forum.*

- Significant inward investment in recent years has not necessarily led to greater employment opportunities for the indigenous population, apart from in lower paid jobs. Such moves also increase congestion and add to the pressure on the infrastructure.

*The strategy for encouraging inward investment has considerable benefits for the City as a result of the multiplier effect. The add-on effect to expenditure in the economy of the Met Office is estimated to be in the region of £70 million a year, which increases job opportunities in other sectors. More than 200 local people have chosen to take advantage of vacancies at the Met Office which has also created graduate level positions which the City needs. The retention of LE in Exeter had kept 600 jobs..*

*The impact on the local highway network is recognised and is being addressed and a key element of such moves is encouraging employers to develop green travel plans to reduce car use etc.*

- A number of incoming employers tend to offer lower paid jobs to the City's workforce.

*Many opportunities at the Met Office relate to graduate level qualifications such as science and maths. However, such opportunities are ideal for graduates who are at the University of Exeter and want to stay or who attend university away from Exeter and then look for jobs back in the area. Call centres, such as LE, offer salaries in the upper quartile of the salary range and compare favourably with similar jobs in Plymouth which are in the lower quartiles. Recruitment campaigns by LE have been very popular.*

- How are individuals on the economic margins targeted to increase their employment opportunities?

*Partly through improving GCSE results in the City which are below average through the modernisation of the school system and through continuing to work on improving local skill levels generally.*

- City Council can take the lead in setting the example by providing good salary levels.

*A Job evaluation exercise was undertaken some four years ago to achieve consistency in salary gradings. Market supplements have recently been introduced and have been effective in recruiting building control staff. However, there is a need to maintain a balance to ensure that the salary bill is not excessive.*

The Chair welcomed the continuing lobbying for improvements to the A30/A303.

Members:-

- (a) noted the report; and
- (b) supported the Exeter and Heart of Devon Economic Partnership's sub regional Economic Development Strategy for the period 2004-2008.

(Report circulated)

39. **Regional Animation Film Festival**

The Head of Economy and Tourism presented the report on the evaluation of Animated Exeter 2004, which had taken place between 9 and 21 February 2004 and sought to support for the proposal for the development of Animated Exeter 2005 to take place between 7 and 19 February 2005.

A Member sought further information on the method of surveying the audience of Animated Exeter. He was advised that forms were distributed by staff on the night for immediate responses but that it was always difficult to ensure a high level of response. The Chair referred to the marketing budget of £15,500 compared with income and sponsorship of £8,000 and suggested that the former could be reduced by some £8,000 as the initiative focused on a niche market who were likely to be aware of the Festival dates. It was confirmed that the marketing was necessary in order to increase overall interest and to attract new audiences and participants. It also helped to project a more progressive image of the City and attract people to free events. The initiative also fed into the need for improving aspirations at schools by encouraging participation in the events, workshops etc.

A Member urged caution with regard to future financial support from South West Screen and the Arts Council and was advised that alternative funding sources were always being examined.

Members:-

- (a) noted the report on Animated Exeter 2004; and
- (b) supported the development of proposals for the delivery of Animated Exeter in February 2005.

(Report circulated)

40. **Exeter Walking Project**

The Transportation Strategy Officer presented the report updating Members on the progress of the Exeter Walking Project over 2003/04 and setting out proposed actions for 2004/05.

A number of Members warmly welcomed the initiative and the significant progress being made on improving walking facilities in the City. One Member enquired if there was a practical way of measuring usage. Although automatic counters could be installed for cyclists, means of measuring were not as straightforward in respect of pedestrians. However, these were being examined. The weather also impacts significantly on walking which can lead to a great variation in numbers on any one-day from year to year.

A Member queried the proposal for a pedestrian crossing on Okehampton Road. He understood this proposal to have been rejected at the Exeter Joint Highways Committee. Members enquired about individual paths such as the Cowick Barton footpath and the proposal for a cycle path from Velwell Road to Prince of Wales Road. A Member suggested that additional seats and picnic tables would prove beneficial in a number of areas with another Member suggesting that seats could be funded by public sponsorship through paying for plaques. These would be looked into, subject to cost. In response to a question, Members were advised that the University of Wales at Aberystwyth had offered to provide calorie maps to indicate the health benefits of walking, although this was relatively expensive.

The Director reported that members of the Sustrans board had met in Exeter in mid-June and walked part of the Green Circle. They had been very impressed with the initiative.

Members:-

- (a) welcomed the progress made by the Exeter Walking Project over the last year, especially the launch of the Green Circle; and
- (b) endorsed the actions for the remaining part of 2004/05, as set out in the report.

(Report circulated)

41. **Developing the Regional Transport Strategy: Investment Priorities for the South West**

The Transportation Strategy Officer presented the report on a proposed response to the Regional Assembly on the draft Developing the Regional Transport Strategy document published in May 2004. She advised that, in addition to the summary of the Regional Transport Strategy document on which the Regional Assembly was consulting stakeholders, a version of the full report was available on the web.

Only two regional priorities were suggested for making the Exeter Principal Urban Area work which were:-

- Development of a local rail network in Exeter to provide clock face services and improve quality of service to reduce congestion; and
- Provision of an eastern development package to improve access to the airport and facilitate the White Paper's social strategy.

The report set out Exeter's proposed response which had already been sent as the deadline had passed, although additional comments could be forwarded as well. Key elements of the City Council's response were:-

- improvements to the A30/A303, regarded as crucial to the continued prosperity of the area;
- need for upgrading the Waterloo line is a greater priority than a direct rail link to Heathrow;

- need to address the conflict between local commuting traffic and national and regional through traffic on the trunk road network which needs to be accepted or resolved by the provision of additional capacity following a study; and
- need for a wider range of measures if Exeter is to fulfil its role as a capital PUA.

The Chair referred to the long-standing support from the City Council for improving the Waterloo line. He also reiterated the importance of slip roads at Peamoor to eliminate the use of Alphington village by larger lorries accessing Marsh Barton.

Other Members confirmed support for the improvements to the A30/A303 and the Waterloo line and agreed with the need to prioritise the latter over an improved link to Heathrow.

In response to a Member, it was reported that the rail link to the Airport would also serve the new community, with a shuttle bus link from the railway halt to the Airport. The Chair also suggested that attention should be given to improving the roads from the East Devon coast to the airport.

Members:-

- endorsed the report as the City Council's response to the consultation exercise by the Regional Assembly on the developing Regional Transport Strategy and Investment Priorities for the South West; and
- requested that the representations include the provision of the Peamoor slip roads.

(Report circulated)

#### 42. **Arts and Business Investments in Exeter**

The Head of Economy and Tourism presented the report on the activities of Arts and Business South West in Exeter aimed at promoting business support for the arts.

The Chair asked that figures for this year's Festival be reported to the next meeting of the Committee if possible.

Members noted the report on the Arts and Business South West investments in Exeter.

(Report circulated)

### **PERFORMANCE MONITORING**

#### 43. **Review of Cultural Strategy**

The Head of Economy and Tourism updated Members on the progress of the Cultural Strategy and its action plan as well as setting out a revised action plan for the forthcoming year.

Members noted the report.

(Joint report circulated)

#### 44. **Capital Programme**

The Director Economy and Development presented the report on the current position with the Capital Programme for Economy. He reported the following:-

- completion of the contract documents in respect of Cricklepit Mill was imminent;
- significant satisfaction with the quality of work of the contractors undertaking Phase 2 of the High Street works in comparison with the different contractor for Phase 1. The County Council were to seek tenders for Phase 3 on the Virgin Megastore side of the High Street from Bedford Street to Eastgate. It was likely that costs would increase over and above previous phases. Investigations were continuing in respect of a rusting seat outside Dingles and the cleansing manager was to direct resources to the problem of graffiti on some seats in the High Street.
- The Department of Constitutional Affairs and the Duchy had reached an understanding on the Duchy's interest in Rougemont Castle. The Director was meeting with the RDA on 5 July to consider their stance on commercial interests following the firm interest now expressed by the Hotel du Vin. Such use was considered by many as appropriate, particularly those with knowledge of the Exeter commercial market, given that the building layout made catering/restaurant/hotel use the most likely way forward.
- Following the appeal decision against the restaurant option, a report would be submitted to the City Council's Executive on 13 July 2004 on the way forward for the Custom House.
- Negotiations were continuing with Makro with a view to planting adjacent to their building to reduce the visual impact of lights etc. on the Countess Wear area. Rok had agreed to contribute to the cost with funding also available from Section 106 monies, but the Makro management had failed to respond to the proposal to date.
- substantial electrical works were being carried out to the Barnfield Theatre and during works to improve the seating and stage area, asbestos had been found in the latter which had delayed progress. Because of the impact on the Barnfield Theatre income and its overall solvency, the City Council had made a financial contribution to the theatre to assist it during this difficult period.
- The Director also reported the recent cleaning of the lower bus station coach park where overall cleanliness had become a problem.

Members requested that a report be brought to the November meeting of the Committee on addressing graffiti problems in the City generally.

Members noted the report.

(Report circulated)

45. **Performance Monitoring**

The Director Economy and Development presented the report, detailing the performance of the Economy and Development directorate during 2003 on a range of services.

The Director reported the following:-

- a significant improvement in the overall performance in Planning services;
- continuing high performance of the Building Control team, with the team currently at full complement, although with one staff vacancy likely shortly;
- reversion of Land Charges performance to its previous pattern with 99.9% of searches carried out within ten working days;
- substantial increase in car park income including a rise in the number of standard charges collected;
- Proposal for providing a machine on a trial basis in Smythen Street to enable motorists to record their car park registration number for collection purposes;
- there remained a very poor take up of half-fare passes for 16-18 year olds despite considerable effort to market the facility at schools, Exeter College etc. It was believed that this was a cultural issue arising from the attitude of young people to using buses.

Members noted the report.

(Report circulated)

46. **Final Accounts : 2003/04**

The Director Economy and Development presented the report on the final accounts for 2003/04.

There had been a higher than forecast use of council car parks which had led to a substantial increase in additional income. One Member suggested that there were difficulties being experienced by the residents of Sidwell Street flats in finding appropriate car parking and, in view of the surplus available, suggested that the potential for introducing concessions for such residents to park in City Council car parks should be examined.

The Chair remarked that the additional income was utilised corporately rather than for projects relating solely to Economy and Tourism. The Director also commented that the additional income generated last year was not available for spending this year and any extra and concessionary parking would require additional budgetary provision.

Members requested that a report on the suggested use of the City Council's car parks for residents of Sidwell Street be brought to the November meeting of the Committee.

(Joint report circulated)



## **BEST VALUE**

### **47. Best Value Review Implementation – Economic Development Service**

The Head of Economy and Tourism reported progress on actions undertaken to implement the findings and conclusions of the Best Value Review of economic development services undertaken jointly with East Devon District Council and Mid Devon District Council.

Following agreement on joint working with neighbouring authorities in the economic development arena, work had commenced on the sub-regional economic development strategy. A draft had been produced and submitted for consultation and would be used to help the Exeter and Heart of Devon Economic Partnership focus on key joint initiatives and secure the involvement of the other main economic development players in the sub-region.

A key area was seeking joined-up working in tourism which would help dovetail with revised South West Tourism policy which was also seeking greater co-ordination at sub-regional level. A number of joint initiatives would come on-stream for 2005, for which planning had already commenced, with the intention to secure further pooling of efforts from 2006 onwards. A meeting of Chief Executives and Leaders was to be held on 2 July in the Civic Centre to discuss the way forward and to help harness private sector support. For example, the Exeter and Heart of Devon Hoteliers Association had made a substantial financial commitment to joint initiatives. It was hoped that joint working would be recognised as the best way forward in the same way as in manufacturing and agriculture.

Members noted progress made in the implementation of the best value review.

(Report circulated)

### **48. Arts and Events Best Value Update**

The Head of Economy and Tourism reported on the implementation of the Improvement Plan for the Arts and Events services adopted by Executive on 6 November 2001.

Members noted the report on the implementation of the Improvement Plan.

(Report circulated)

### **49. Date of Next Meeting**

The next Scrutiny Committee - Economy will be held on Thursday 9 September 2004 at 5.30 p.m.

(The meeting commenced at 5.30pm and closed at 7.45pm)

Chair