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**OVERVIEW OF REVENUE BUDGET 2008-09**

To consider the report of the Head of Treasury Services. 21 - 36

Scrutiny Committee – Resources considered the report at their meeting on 17 June 2009 and their comments will be reported.

(Report circulated)

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**TREASURY MANAGEMENT 2008-09**

To consider the report of the Head of Treasury Services. 37 - 40

Scrutiny Committee – Resources considered the report at their meeting on 17 June 2009 and their comments will be reported.

(Report circulated)

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**ANNUAL GOVERNANCE STATEMENT**

To consider the report of the Chief Executive and the Head of Treasury Services. 41 - 50

Scrutiny Committee – Resources considered the report at their meeting on 17 June 2009 and their comments will be reported.

(Report circulated)

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**DELIVERING VALUE FOR MONEY**

To consider the report of the Head of Treasury Services. 51 - 56

Scrutiny Committee – Resources considered the report at their meeting on 17 June 2009 and their comments will be reported.

(Report circulated)

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**REVIEW OF EQUALITIES**

To consider the report of the Director Corporate Services. 57 - 62

Scrutiny Committee – Resources considered the report at their meeting on 17 June 2009 and their comments will be reported.

(Report circulated)

- 9                    **LEISURE FACILITIES MANAGEMENT - A NEW CONTRACT**
- To consider the report of the Head of Leisure and Museums.                    63 - 70
- Scrutiny Committee – Resources considered the report at their meeting on 17 June 2009 and their comments will be reported.
- (Report circulated)
- 10                   **DRAFT SUPPLEMENTARY PLANNING DOCUMENT - PLANNING OBLIGATIONS**
- To consider the report of the Head of Planning and Building Control.                    71 - 90
- (Report circulated)
- 11                   **RESULTS OF CONSULTATION ON TOPSHAM CONSERVATION AREA APPRAISAL AND MANAGEMENT PLAN**
- To consider the report of the Head of Planning and Building Control.                    91 - 100
- (Report circulated)
- 12                   **CONCESSIONARY TRAVEL SCHEME**
- To consider the report of the Director Economy and Development.                    101 - 104
- (Report circulated)
- 13                   **SUSTAINABLE COMMUNITIES ACT 2007 - PROPOSALS**
- To consider the report of the Assistant Chief Executive.                    105 - 116
- (Report circulated)
- 14                   **PLACE SURVEY 2008 RESULTS**
- To consider the report of the Assistant Chief Executive.                    117 - 120
- (Report circulated)

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**WAVELENGTH 19 - SURVEY RESULTS**

To consider the report of the Assistant Chief Executive.

121 - 124

(Report circulated)

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**PORTFOLIO HOLDER - CHANGE OF TITLE**

Since the function of social inclusion is now encompassed within the broader function of community consultation and engagement, it is proposed to reflect this within the role of the existing Portfolio Holder for Housing and Social Inclusion by changing the title to Portfolio Holder for Housing and Community Involvement.

**RECOMMENDED** that the Constitution be amended to reflect the change in title of the Portfolio Holder for Housing and Social Inclusion.

17 **HIGHWAYS AGENCY PROPOSALS FOR JUNCTION 29 OF THE M5 AND THE A30 TRUNK ROAD**

To consider the report of the Director Economy and Development.

125 - 126

(Report circulated)

**Part II: Items suggested for discussion with the press and public excluded**

18

**PROGRESS ON RAMM DEVELOPMENT PROJECT**

To consider the report of the Head of Leisure and Museums on progress on the development.

127 - 132

Scrutiny Committee – Resources considered the report at their meeting on 17 June 2009 and their comments will be reported.

(Report circulated to Members)

**DATE OF NEXT MEETING**

The next scheduled meeting of the Executive will be held on **Tuesday 15 September 2009** at 5.30 pm in the Civic Centre.

***A statement of the executive decisions taken at this meeting will be produced and made available as soon as reasonably practicable after the meeting. It may be inspected on application to the Customer Service Centre at the Civic Centre or by direct request to the Member Services Manager on 01392 265110. Minutes of the meeting will also be published on the Council's web site as soon as possible.***

**Membership -**

Councillors Fullam (Chair), S Brock, Cole, Edwards, Mrs Henson, Mitchell, Mrs J Morrish, Newton and Wadham

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<http://www.exeter.gov.uk>. This will give you the dates of all future Committee meetings and tell you how you can ask a question at a Scrutiny Committee meeting. Alternatively, contact the Member Services Officer on (01392) 265115 for further information.

**Individual reports on this agenda can be produced in large print on request to Member Services on 01392 265111.**

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## EXETER CITY COUNCIL

### SCRUTINY COMMITTEE – RESOURCES 17 JUNE 2009

EXECUTIVE  
29 JUNE 2009

#### CAPITAL MONITORING 2008-09 AND REVISED CAPITAL PROGRAMME FOR 2009-10 AND FUTURE YEARS

#### 1. PURPOSE OF THE REPORT

- 1.1 To advise members of the overall financial performance of the Council for the 2008-09 financial year, in respect of the annual capital programme.
- 1.2 To seek approval of the 2009-10 revised capital programme, including commitments carried forward from 2008-09.

#### 2. REVISIONS TO THE CAPITAL PROGRAMME

- 2.1 The progress of the annual capital programme was last reported to Scrutiny Committee – Resources on 25 March 2009. Since that meeting the following changes have been made that have increased the programme:

Description	£	Approval/funding
Capital Programme, as at 25 March 2009	<b>20,976,720</b>	
Various schemes	43,330	Capitalised staff costs
National Cycle Network	65,270	Contribution from DCC
Walking Strategy	10,600	Contribution from DCC
Essential MRF Capital Works	55,660	DEFRA Waste Grant
Parks Improvements	3,920	S106 monies
Gravedigger	5,000	Revenue contribution to capital outlay
King William Street Car Park Changing Facilities	20,000	Contribution from DCC
Fast Track Extralet Grants	28,760	Grant clawback income
Heavitree Enhancements	(182,300)	Removal of DCC contribution from budgets; DCC have paid the contractor directly
Energy Conservation	15,510	External funding secured from utility companies
Various HRA schemes	44,180	Contributions from tenants
<b>Revised Capital Programme</b>	<b>21,086,650</b>	

### 3. MONITORING PERFORMANCE

- 3.1 In order to help improve overall delivery and monitoring of the capital programme schemes have been placed within two categories, C1 and C2. Category C1 is for those schemes that the Council is reasonably certain of being able to deliver within planned timescales. Conversely, Category C2 is for those schemes that the Council is less certain of being able to deliver primarily due to factors outside the control of the Council.
- 3.2 The categories do not extend to the HRA Capital Programme as it was hoped that the full programme would be deliverable within planned timescales due to the Council's commitment to achieving the Decent Homes Standard.

### 4. PERFORMANCE (Appendix 1)

- 4.1 Capital expenditure in the year amounted to £16,593,668, a reduction of £4,492,982 on the planned figure of £21,086,650. This planned figure takes into account an adjustment for the temporarily suspended capital schemes.
- 4.2 The actual expenditure during 2008-09 represents 78.7% of the total approved for the revised Capital Programme, which means £4.46 million will need to be carried forward to be spent in future years, as indicated in Appendix 1. Two capital projects where spend has been significantly less than anticipated are RAMM Redevelopment (£840,570) and Social Housing Grants (£1,249,920), and these alone account for almost 10% of the spending shortfall.
- 4.3 In comparison with the previous financial year, spending performance has decreased. During 2007/08 capital expenditure was £19,509,527, equivalent to 88.5% of the planned figure of £22,036,840.
- 4.4 The table below sets out how the Council has performed in terms of capital expenditure compared to the previous financial year, analysed by category:

Category	2008/09 Expenditure  £	2007/08 Expenditure  £	2008/09 Expenditure expressed as percentage of Capital Programme	2007/08 Expenditure expressed as percentage of Capital Programme
C1	7,569,227	7,819,568	83.90%	92.18%
C2	3,818,346	4,473,921	66.83%	73.00%
HRA	5,206,095	7,216,037	81.97%	97.18%
<b>Total</b>	<b>16,593,668</b>	<b>19,509,526</b>	<b>78.69%</b>	<b>88.53%</b>

#### Capitalisation of Staff Costs

- 4.5 In accordance with the Code of Practice on Local Authority Accounting in the United Kingdom – A Statement of Recommended Practice, any costs attributable to bringing a fixed asset into working condition for its intended use qualify as capital expenditure. Directly attributable costs include the labour costs of certain Council employees, which have been directly involved in the construction or acquisition of a specific asset.

4.6 During the financial year, the cost of the Council's IT developers, engineers, architects and surveyors have been treated as capital expenditure, based upon timesheet information.

4.7 Several large capital schemes have required a high commitment in staff time, including the:

- regeneration of the Canal Basin
- re-development of the Royal Albert Memorial Museum
- rebuild of the obsolete changing facilities at Hamlin Lane
- continuation of the electronic document management system implementation and development
- development of the corporate website and intranet
- delivery of the kitchen replacement, central heating and bathroom replacement programmes in council dwellings.

4.8 The total value of staff time charged to capital schemes for 2008-09 amounted to £1,120,076.

## **5.0 VARIANCES AND ACHIEVEMENTS**

5.1 The main variances and achievements are as follows:

### **5.2.1 Community & Environment**

#### ***Cultural City***

- **Play Area Refurbishments & Skating Area Exhibition Fields**

Facilities in Pendragon Road Multi Use Games Area (MUGA), Summerway Park, King's Heath Park, Wyvern Park, Exhibition Fields Skate Park and Kinnerton Way MUGA all underwent improvements during this financial year.

The Pendragon play area is now open and in use and floodlights have been ordered for the site.

Work at Summerway Park has progressed well, with a series of boulders to mark the play area boundary and play equipment was installed in February 2009. The MUGA opened in early 2008 and now has floodlights.

At King's Heath a substantial new play area has been installed, with the final phase due for completion in May. The floodlit MUGA has been in use for several months.

Work at Exhibition Fields Skate Park is complete and the replacement ramps are proving very successful.

- **Hamlin Lane Changing Rooms**

Improvements made to the changing rooms include increased capacity, better access to wheelchair users and energy efficiency measures. The building now includes changing rooms for up to ten teams and a separate area for officials. Most significantly the refurbishment has resulted in an increase from three to 18 shower stations as well as the inclusion of a new disabled access toilet. New showers are heated by two energy efficient boilers and equipped with automatic water saving devices. Additional costs were incurred to improve

parking facilities at the site and provided spaces for an additional 50 cars.

- **RAMM Re-development**

The main contractor came to site slightly later than the original plan, and subsequent delays on site set the programme back further, so that invoices from the contractor have not amounted to those expected in the cost plan. Therefore it is proposed that £840,570 of the 08/09 budget be deferred to 09/10. Further details are provided in the separate report.

***Cared for Environment***

- **New Trade Waste Recycling Service Vehicles**

This budget was allocated for the purchase of two vehicles to be used on the new recycling rounds collecting cardboard and plastics. In 2008-09 one vehicle was purchased and it is proposed that the remainder of the budget be deferred to 2009-10 when the success of the current round can be determined and the decision whether to buy a second vehicle made.

***Excellence in Public Services***

- **Oakwood House**

We are awaiting defects work to be carried out by the contractor before the final payment can be issued; therefore it is proposed that the remainder of this budget be deferred to 09/10.

***Everyone has a Home***

- **Social Housing Grants**

The Social Housing Grants paid during 2008-09 helped to facilitate the provision of 28 affordable homes all for social rent, built in partnership with housing associations, the Housing Corporation and developers. Commuted sums facilitated a further 65 private sector tenancies all to decent homes standards: 38 homes through the Extralet scheme and 27 through the LetStart scheme. The Shakespeare Rd site was acquired from the Primary Care Trust and should facilitate the construction of at least 20 homes for social rent. Capital transfers enabled the extension/conversion of 6 Council homes to 4 bedrooms and extra accommodation for one homeless family was secured through the conversion of the Council's guesthouse.

## 5.2.2 **Economy & Development**

***Accessible City***

- **Signage/Pedestrian Interpretation**

The new finger posting system has been fully implemented across the city centre and provides a high quality, comprehensive signing system for tourists and visitors. A series of maps are to be erected in car parks in the near future and a map and a planned additional finger post is to be erected in the bus station to assist people arriving by bus in Exeter.

## ***Cared for Environment***

- **Heavitree Environmental Enhancement**

The Heavitree Fore Street scheme was completed in January 2009. A number of significant additional costs were incurred mainly as a result of the additional costs of paving stones from a second supplier following default of the original supplier, additional DCC engineers fees and relocating the Virgin utility boxes.

- **Custom House**

The project is substantially complete with minor defects and works to stair panelling to be completed in 09/10.

- **City Centre Enhancements**

As Members are aware, this is a rolling programme of enhancements where the core city centre streets have now been significantly improved with new paving, street furniture, tree planting and public art. The most recent expenditure on this programme has been with regard to the Paris Street/Sidwell Street improvement where the footway on the east side of Paris Street was doubled in width, a total of 10 trees planted and a series of seats installed. It was intended to significantly reduce the impact of traffic in the heart of the retail core of the city centre which is a major issue in terms of the long term re-development of the bus station site. A smaller scheme which was completed in April of this year is the re-paving of Martin's Lane and the bottom end of Catherine Street in York stone which was a scheme which was 50:50 funded with Devon County Council. The next phase of work will focus on the section of Gandy Street between High Street and Little Queen Street, followed by consideration of the Fore Street area at its junction with North Street/South Street. As plans for this area are closely linked to the development of the High Quality Public Transport route it will be some months before any detailed proposals emerge for consideration by Planning Member Working Group.

## ***Prosperous City***

- **Canal Basin and Quayside**

This has been reported to Executive twice since last Autumn, advising that conditions in the economy are such that progress with this scheme has slowed down significantly. Sutton Harbour Company have been given an extended period in which to prepare their proposals to secure tenants for the sites under their control. Similarly, Homebrick who have the interest in the Old Electricity Building, need to re-negotiate their development agreement since their original scheme is undeliverable in the current economic climate. They are in discussions with a potential tenant to create a children's play centre. Despite the slowing down of the market there is also good progress to report. Bridger Marine have completed work on their new chandlery at the Haven Road Car Park and are now in occupation. The existing chandlery is to be demolished and the area used for storage in the interim until a permanent scheme is progressed. Signposts work at 60 Haven Road is progressing very well and 14 affordable housing units and a retail/restaurant unit will be completed for occupation by October 2009. A range of environmental enhancements has been undertaken in the Canal Basin area, particularly at the entrance to the Valley Park, with the Old Maritime Buoy restored and positioned on the Kings Arms Isthmus. The next key element of the project is the construction of the

access road (Michael Browning Way) to the Haven Road Car Park and the creation of a winter boat laying up area. Planning permission is to be sought imminently for this scheme and this work is due to go out to tender shortly, with implementation starting from the Summer.

- **Science Park**

Spending on this has been moderate as the principal focus has been on the detailed design of the scheme and setting up the Science Park Company. Our major expenditure is not likely to take place until 2010/11. Progress is excellent with the Science Park Company now formed and a planning application expected in the next few weeks. The aim is for a start on site in early 2010 with the first building occupied by early 2011. The accompanying infrastructure, being delivered as part of the New Growth Point, is also progressing well to ensure that the necessary transport and utilities infrastructure is in place in time.

### 5.2.3 Corporate Services

#### ***Accessible City***

- **Equal Opportunities Improvements**

Individual schemes progressed this year include the provision of disabled parking bays and automatic doors at the ISCA Bowls Centre, accessible allotments, Mincinglake Valley Park access improvements, Verney House staircase improvements and access improvements at Summerway Park. Orders have been placed on remaining projects to ensure all essential work is completed.

#### ***Electronic City***

- **Information Technology/E Government**

New features on [www.exeter.gov.uk](http://www.exeter.gov.uk) include improved navigation, a complete A-Z of services, easy access to reporting and paying online, as well as clear options of how to contact the Council. On the homepage people can now get up-to-date travel information, and by using Living in Exeter, they can enter their postcode and find out when their household waste is due for collection, who their ward councillors are, nearby planning applications, subscribe to email alerts and much more.

Other achievements include:

- continued work on the corporate electronic document and records management system to improve the creation, storage, accessibility, control and disposal of their documents and records
- the continuation of the corporate server upgrade programme and improvements to the network infrastructure providing a high capacity storage system which will provide fast and reliable data recovery and to manage the increasing demand for high bandwidth applications
- the continuation of the FIMS Replacement project
- the implementation of additional data archiving and managed storage systems

- **Civic Centre Communal Area Refurbishment**

This budget forms part of a rolling programme to replace the fire doors, refurbish staff toilets, upgrade lift lobbies, refurbish kitchen areas and replace floor coverings in communal areas throughout the Civic Centre.

This financial year the refurbishment of the toilets and common areas in Phase 3 and on the ground floor and third floors of Phase I, including new laminate flooring has been completed.

#### 5.2.4 **Housing Revenue Account**

##### ***Everyone Has a Home***

- **Sheltered Accommodation**

This budget provides for the cost of upgrading sheltered accommodation to meet the standards of the Supporting People Programme.

The Supporting People Programme is committed to providing a better quality of life for vulnerable people to live more independently and to develop and sustain an individual's capacity to live within their accommodation. Programmed works include the installation of lifts, provision of wheelchair access, walk-in showers and level access.

The design and pre tender works took longer than anticipated and work is now intended to start on site in the Autumn of 2009.

- **Defective Properties – British Steel**

Works started in October last year on the remaining 17 properties. The works involve externally cladding the building and then rendering. Due to the weather the contract was delayed and we were unable to complete all the works programmed by the end of the year and will continue in 2009-10.

- **Rendering Works – Flats**

Works started in October to re-render the properties with dash rendering and carry out general repairs. Due to additional repairs such as the asphalt walkway at Galahad Close and the weather the contract was delayed; the programme of works will continue in 2009-10.

- **Programmed Re-Roofing**

The re-roofing of Briar Crescent and Laburnum Road was completed along with a further five properties with a history of leaks requested by housing.

- **Energy Conservation**

Measures to improve the energy efficiency of council-owned homes are progressing and are on target to be completed by 2011. In 2008-09 wall cavity insulation was completed in 25 homes leaving 77 to complete, 256 lofts were completed leaving 626 to complete. Surveys are ongoing to ensure information we hold regarding the energy efficiency of council-owned homes is accurate and up-to-date.

- **Kitchen Replacements**

The full programme of 183 kitchen replacements was achieved; these properties were generally spread across city with the exception of Grandisson Court and Abbeville Close.

- **Communal TV Aerials**

All the communal TV aerials have been upgraded to receive digital signal. Costs were less than anticipated as only the aerials were upgraded rather than satellite being installed.

- **Programmed Electrical Re-Wiring**

Out of the 195 programmed rewires 140 were completed, the programme has now been changed to a test and rewire/repair programme.

- **Central Heating Programme**

125 Gas central heating installations were completed. The properties were a mix of completely new installs and breakdowns to existing gas / electrical heating systems.

## **6.0 CAPITAL AND PROJECT PROGRAMME 2009-10 (Appendix 2)**

6.1 The revised Capital Programme for 2009-10, after taking into account the carried forward requirements from 2008-09 and amounts deferred into future financial years, now totals £24,528,020.

## **7.0 RECOMMENDED**

7.1 It is recommended that the overall financial position for the 2008-09 annual capital programme be noted.

7.2 That the amendments to the Council's annual capital programme for 2009-10 be approved by Executive.

HEAD OF TREASURY SERVICES

CORPORATE SERVICES DIRECTORATE

### **Local Government (Access to Information) Act 1985 (as amended) Background papers used in compiling this report:**

1. None

**2008/09  
CAPITAL MONITORING TO 31 MARCH 2009**

Lead Officer	Category	2008/09 Temporarily Suspended	2008/09 Revised Capital Programme	2008/09 Spend	2008/09 Budget to be Carried Forward to 2009/10	2008/09 Budget to be Carried Forward to 2010/11	2008/09 Programme Variances Under ( )
		£	£	£	£	£	£
<b>COMMUNITY &amp; ENVIRONMENT</b>							
<b>ACCESSIBLE CITY</b>							
AC	C2	(13,240)	0	0			0
PM	C2	(30,000)	47,670	28,551	19,120		1
AC	C2	(2,000)	0	0			0
<b>STRONG COMMUNITIES CITY</b>							
PM	C2	(66,100)	0	0			0
<b>CULTURAL CITY</b>							
AC	C2		121,130	95,997	25,130		(3)
AC	C2	(130,000)	0	0			0
PM	C2		67,310	57,166	10,140		(4)
PM	C2	(20,000)	29,830	8,120	21,710		0
AC	C2		16,000	16,000			0
AC	C2	(115,800)	403,440	253,355	150,090		5
AC	C2	(5,190)	0	0			0
PM	C2		332,840	353,037			20,197
PM	C2		5,810	6,837			1,027
AC	C1		67,060	12,185	54,870		(5)
AC	C1		27,950	27,945			(5)
PM	C2		8,330	28,286	(19,950)		6
AC	C1		45,000	0	45,000		0
AC	C2		34,280	9,532	24,750		2
AC	C1		14,040	19,357			5,317
AC	C2		20,000	9,508	10,490		(2)
AC	C1		4,768,460	3,927,894	840,570		4
AC	C1		41,250	30,971	10,280		1
<b>ELECTRONIC CITY</b>							
PM	C2	(85,000)	0	0	0		0
<b>CARED FOR ENVIRONMENT</b>							
RN	C1		65,560	55,041	10,520		1
RN	C1		40,000	40,000			0
PM	C1		43,390	31,749	11,640		(1)
PM	C2	(32,000)	15,900	14,639	1,260		(1)
PM	C1		11,050	10,900	150		0

Lead Officer	Category	2008/09 Temporarily Suspended	2008/09 Revised Capital Programme	2008/09 Spend	2008/09 Budget to be Carried Forward to 2009/10	2008/09 Budget to be Carried Forward to 2010/11	2008/09 Programme Variances Under ( )
		£	£	£	£	£	£
	Investigation & Remediation of Contaminated Land		0	0			0
	New Trade Waste Recycling Service Vehicles	(1,910)	70,000	36,636	33,360		(4)
	Midi Recycling Banks		3,030	3,030			0
	St Nicholas Priory Upgrade		14,550	16,621			2,071
	General Open Space Improvements	(16,000)	35,680	50,515			14,835
	Additional Vehicle for Garden and Dog Waste		29,860	30,523			663
	<b>EXCELLENCE IN PUBLIC SERVICES</b>						
	Vehicle Replacement Programme	(95,000)	799,350	842,201	(43,000)		(149)
	Provision of Garden of Remembrance		15,000	11,517	3,480		(3)
	Exwick Cemetery New Burial Area		13,590	6,592	7,000		2
	Higher Cemetery New Storage Yard & Buildings	(40,000)	9,270	6,882	2,390		2
	Oakwood House		66,100	4,568	61,530		(2)
	Belle Isle Nursery - Various Improvements	(23,000)	61,730	42,237	19,490		(3)
	External Professional Support		70,000	70,000			0
	Replacement of Tractor Sheds	(130,000)	42,220	27,546	14,670		(4)
	Grave Digger		5,000	19,995			14,995
	<b>HEALTHY &amp; ACTIVE PEOPLE</b>						
	Disabled Facility Grants		528,750	504,828	23,920		(2)
	<b>EVERYONE HAS A HOME</b>						
	Warm Up Exeter		180,000	180,425	(420)		5
	PLEA Scheme		124,720	117,375	7,340		(5)
	Social Housing Grants		1,885,000	636,723	1,249,290		1,013
	Private Sector Renewal Scheme		120,360	120,360			0
	Development of General Fund Housing Land		1,850	0	1,850		0
	Refurbishment of Glencoe		77,140	76,124			(1,016)
	Shakespeare Road Site	(65,000)	185,000	181,953	3,050		3
	Fast Track Extralet Grants		55,070	55,071			1
	Renovation Grants		439,340	463,040	(23,700)		0
	<b>SAFE CITY</b>						
	Purchase of 2 Mairon Noise Monitoring Systems		13,970	13,970			0
	CCTV Consultancy in respect of Enhancements		15,250	12,000	3,250		0
	CCTV at Isca / New North Road		31,270	30,735			(535)
	CCTV System Enhancements	(35,310)	0	0			0
	<b>COMMUNITY &amp; ENVIRONMENT TOTAL</b>	<b>(905,550)</b>	<b>11,119,400</b>	<b>8,598,538</b>	<b>2,579,270</b>	<b>0</b>	<b>58,408</b>

Lead Officer	Category	2008/09 Temporarily Suspended	2008/09 Revised Capital Programme	2008/09 Spend	2008/09 Budget to be Carried Forward to 2009/10	2008/09 Budget to be Carried Forward to 2010/11	2008/09 Programme Variances Under ( )
		£	£	£	£	£	£
<b>ECONOMY &amp; DEVELOPMENT</b>							
<b>ACCESSIBLE CITY</b>							
	DH		206,080	181,626	24,450		(4)
National Cycle Network	C1						
Signage / Pedestrian Interpretation	RS		260,900	254,193	6,710		3
Implementation of Council Walking Strategy	DH		77,200	76,603			(597)
King William Street Car Park Changing Facilities	RC		75,140	69,178			(5,962)
<b>CULTURAL CITY</b>							
18 North Street Panelling	RS		35,000	17,472	17,530		2
Corn Exchange Enhancements	DP	(28,000)	100,640	33,652	66,990		2
Floodlighting	RS	(14,000)	6,570	5,228	1,340		(2)
<b>CARED FOR ENVIRONMENT</b>							
Heavitree - Environmental Enhancement	RS		371,780	389,528	7,250		24,998
Environmental Improvements to Cowick Street	RS	(100,000)	0	0			0
Exeter Corn Exchange Install Wood Pellet Boiler	DP	(80,000)	0	0			0
City Centre Enhancements	JR		330,230	370,120	(39,890)		0
Custom House	DP		44,800	21,312	5,000		(18,488)
Repairs to Cricklepit Street Wall	DH		3,050	984			(2,066)
Unadopted Land at Exwick - Retaining Walls	DH	(33,070)	24,880	23,639			(1,241)
Conservation Area Enhancements	RS	(33,000)	8,460	0			0
Cathedral Yard Enhancement	JR	(6,990)	0	0			0
Ibstock Environmental Improvements	DP		4,450	0	4,450		0
Planting Improvements in Riverside Valley Park	RS		14,250	0	14,250		0
<b>EXCELLENCE IN PUBLIC SERVICES</b>							
Resurface Matthews Hall Car Park	RC		12,000	13,677			1,677
St Georges Retail Units Reconfiguration Works	DP		5,430	4,880			(550)
New Stalls for Farmers Market	DP	(4,000)	4,000	3,035			(965)
Planning Delivery Grant	RS	(90,720)	0	0			0
<b>PROSPEROUS CITY</b>							
Central Station Gateway Enhancement	RS	(123,160)	0	0			0
Basin / Quayside Redevelopment	DP		512,850	180,669	332,180		(1)
Science Park	RB		30,000	4,240	25,760		0
Met Office Relocation	JR		8,750	8,750			0
<b>SAFE CITY</b>							
CCTV at Haven Road Car Park & Boat Storage	RC		10,000	0	10,000		0
Safety Fencing at King William St Car Park	RC		0	(11,360)			(11,360)
CCTV Improvements in Car Parks	RC		3,900	0			(3,900)
Security Measures for Riverside Valley Park	DH	(15,000)	34,050	27,881			(6,169)
<b>ECONOMY &amp; DEVELOPMENT</b>							
		(527,940)	2,184,410	1,675,308	484,480	0	(24,622)

Lead Officer	Category	2008/09 Temporarily Suspended	2008/09 Revised Capital Programme	2008/09 Spend	2008/09 Budget to be Carried Forward to 2009/10	2008/09 Budget to be Carried Forward to 2010/11	2008/09 Programme Variances Under ( )		
		£	£	£	£	£	£		
<b>CORPORATE SERVICES</b>									
<b>ACCESSIBLE CITY</b>									
	Equal Opportunities Improvements	PM	C1	(30,000)	125,840	98,563	27,280	3	
<b>ELECTRONIC CITY</b>									
	IT Capital Programme	PE	C1	(169,800)	774,750	645,687	122,930	(6,133)	
	IT Capital Programme	PE	C2	(132,000)	83,000	51,887	31,000	(113)	
<b>CARED FOR ENVIRONMENT</b>									
	Civic Centre Conversion of Boiler to Dual Fuel	JS	C2	(25,400)	0	0	0	0	
<b>EXCELLENCE IN PUBLIC SERVICES</b>									
	Customer First Phase II	JS	C1		21,010	16,245		(4,765)	
	Replace Control Panels in Civic Centre Lifts	JS	C1		78,050	18,850	59,200	0	
	Civic Centre Electrical Distribution Boards	JS	C1		1,500	5,675		4,175	
	Installation of Building Management System	PM	C1		19,020	18,088		(932)	
	Civic Centre Communal Area Refurbishment	JS	C1	(175,000)	321,200	252,129	69,070	(1)	
<b>SAFE CITY</b>									
	Increased CCTV at the Civic Centre	JS	C1	(18,000)	7,000	6,605		(395)	
<b>CORPORATE SERVICES TOTAL</b>				<b>(550,200)</b>	<b>1,431,370</b>	<b>1,113,728</b>	<b>309,480</b>	<b>0</b>	<b>(8,162)</b>

Lead Officer	Category	2008/09 Temporarily Suspended	2008/09 Revised Capital Programme	2008/09 Spend	2008/09 Budget to be Carried Forward to 2009/10	2008/09 Budget to be Carried Forward to 2010/11	2008/09 Programme Variances Under ( )
		£	£	£	£	£	£
<b>HRA CAPITAL</b>							
<b>EVERYONE HAS A HOME</b>							
	Sheltered Accommodation		553,460	201,500	300,000		(51,960)
	Adaptations		410,360	410,301			(59)
	Defective Properties - British Steel		176,000	15,875	160,120		(5)
	Defective Properties - Other Non Traditional		5,200	5,199			(1)
	Rendering Works - Flats		248,370	40,851	207,520		1
	UPVC Gutters, Downpipes and Fascia Boards		168,760	168,755			(5)
	MRA Fees		391,510	385,072			(6,438)
	Environmental Improvements - Fencing		59,000	47,308	11,370		(322)
	Communal Door Entry System		15,330	9,495	5,840		5
	Environmental Improvements - General		51,000	33,958	17,040		(2)
	Upgrading Council Roads / Footpaths		43,770	28,229	15,540		(1)
	Programmed Re-roofing		568,240	568,242			2
	Rennes / Faraday House Fire Alarm Upgrade		40,000	23,313	16,690		3
	Housing Condition Survey		5,240	5,240			0
	Energy Conservation		287,200	276,042	11,160		2
	Asbestos Survey		235,880	145,296		90,590	6
	Council House Extensions		183,000	124,969	58,030		(1)
	External Walls		57,460	57,464			4
	Leypark Road Structural Defects		44,940	44,946			6
	Kitchen Replacements		1,022,560	1,022,565			5
	Asbestos Removal Works		119,890	123,340			3,450
	Bathroom Replacements - Programmed		424,460	389,871	34,590		1
	Construct Hard Standings / Parking Spaces		20,000	0	20,000		0
	Communal TV Aerials		15,720	10,040			(5,680)
	Door Replacements		45,390	45,113			(277)
	Rifford Road Structural Repairs		73,740	73,744			4
	3 Bed Conversions to 4 Bed Dwellings		126,510	87,963	38,550		3
	Development of HRA Land		50,000	43,677	6,320		(3)
	Rennes / Faraday House Fire Doors		7,690	7,690			0
	Programmed Electrical Re-wiring		485,670	454,914	30,760		4
	Weirfield House Refurbishment		60,000		60,000		0
	Central Heating Programme		355,120	355,122			2
<b>HOUSING REVENUE ACCOUNT TOTAL</b>		<b>0</b>	<b>6,351,470</b>	<b>5,206,095</b>	<b>993,530</b>	<b>90,590</b>	<b>(61,255)</b>

Lead Officer	Category	2008/09 Temporarily Suspended	2008/09 Revised Capital Programme	2008/09 Spend	2008/09 Budget to be Carried Forward to 2009/10	2008/09 Budget to be Carried Forward to 2010/11	2008/09 Programme Variances Under ( )
		£	£	£	£	£	£
<b>CAPITAL AND PROJECT EXPENDITURE TOTAL</b>							
		(1,983,690)	21,086,650	16,593,668	4,366,760	90,590	(35,632)

Category	2008/09 Temporarily Suspended	2008/09 Revised Capital Programme	2008/09 Spend	2008/09 Budget to be Carried Forward to 2009/10	2008/09 Budget to be Carried Forward to 2010/11	2008/09 Programme Variances Under ( )
	£	£	£	£	£	£
HRA Capital Schemes	N/A	6,351,470	5,206,095	993,530	90,590	(61,255)
Reasonably certain of being able to deliver within planned timescales	0					
Less certain of being able to deliver primarily due to factors outside the control of the Council	(830,180)	9,022,020	7,569,227	1,445,990	0	(6,802)
	(1,153,510)	5,713,160	3,818,346	1,927,240	0	32,426
<b>CAPITAL AND PROJECT EXPENDITURE TOTAL</b>						
	(1,983,690)	21,086,650	16,593,668	4,366,760	90,590	(35,632)

**Category 1**

Is for those schemes that the Council is reasonably certain of being able to deliver within planned timescales

**Category 2**

Is for those schemes that the Council is less certain of being able to deliver, primarily due to factors outside the control of the Council

Lead Officer Key Table	
Head of Leisure and Museums	AC
Head of Treasury Services	AS
Engineering and Construction Manager	DH
Head of Estates Services	DP
Head of Environmental Health Services	RN
Director of Economy and Development	JR
Head of Corporate Customer Services	JS
Head of IT Services	PE
Head of Contracts and Direct Services	PM
Head of Economy and Tourism	RB
Head of Administration and Parking Services	RC
Head of Planning Services	RS
Head of Housing and Social Inclusion	SW

## REVISED CAPITAL PROGRAMME

Lead Officer	Category	2008/09 Budget to be Carried Forward to 2009/10	2009/10 Approved Capital Programme	2009/10 Revised Capital Programme	2008/09 Budget to be Carried Forward to 2009/10	2010/11 Approved Capital Programme	2010/11 Revised Capital Programme	2011/12 Approved Capital Programme	Future Years
		£	£	£	£	£	£	£	£
<b>COMMUNITY &amp; ENVIRONMENT</b>									
<b>ACCESSIBLE CITY</b>									
	C2	19,120	10,000	29,120					
Riverside Valley Park Enhancement									
<b>STRONG COMMUNITIES CITY</b>									
	C2		15,000	15,000					
Develop Matthews Hall Topsham									
<b>CULTURAL CITY</b>									
	C2	25,130		25,130					
Old Paper Mill Countess Weir									
	C2	10,140		10,140					
Playing Fields General Improvements									
	C2	21,710	29,800	51,510					
Bromhams Farm Changing Rooms									
	C2	150,090	137,040	287,130		80,000	80,000		
Play Area Refurbishments									
	C1	54,870	50,000	104,870					
Sports Facilities Refurbishment									
	C2	(19,950)	30,000	10,050					
Parks Improvements									
	C1	45,000	40,000	85,000					
Roof Improvements to Topsham Museum									
	C2	24,750	109,830	134,580					
Leisure Management Contract									
	C2	10,490	19,360	29,850					
New Swimming Pool									
Exwick Community Centre									
Contribution to RAMM re HLF Parks Bid									
	C1	840,570	7,777,290	8,617,860		2,731,250	2,731,250	100,000	100,000
RAMM Re-development									
	C1	10,280		10,280		35,500	35,500		
RAMM Off Site Store									
<b>CARED FOR ENVIRONMENT</b>									
	C1	10,520		10,520					
Essential MRF Capacity Works									
	C1		70,000	70,000					
Home Recycling Scheme									
	C1	11,640		11,640					
Public Toilet Refurbishment									
	C1		30,000	30,000					
Replace Wash Down at MRF and Drainage Alterations									
	C2	1,260	100,000	101,260		100,000	100,000	100,000	100,000
Local Authority Carbon Management Programme									
	C1	150	10,000	10,150		10,000	10,000	10,000	10,000
Improvements to Cemetery Roads & Pathways									
	C1	33,360		33,360					
New Trade Waste Recycling Service Vehicle									
	C2		50,000	50,000					
Cemeteries & Churches Storage Improvements									
	C1		15,000	15,000					
Midi Recycling Banks									
	C2		10,000	10,000					
Upgrade of Turf Sewage Treatment Plant									
<b>EXCELLENCE IN PUBLIC SERVICES</b>									
	C1	(43,000)	617,000	574,000					
Vehicle Replacement Programme									
	C1	3,480	15,000	18,480					
Provision of Garden of Remembrance									
	C2	7,000		7,000					
Exwick Cemetery New Burial Area									
	C1	2,390		2,390					
Higher Cemetery New Storage Yard & Buildings									
	C1	61,530		61,530					
Oakwood House									
	C2	19,490	27,740	47,230					
Belle Isle Nursery - Various Improvements									
	C1	14,670		14,670					
Replacement of 'Tractor Sheds'									

Lead Officer	Category	2008/09 Budget to be Carried Forward to 2009/10	2009/10 Approved Capital Programme	2009/10 Revised Capital Programme	2008/09 Budget to be Carried Forward to 20010/11	2010/11 Approved Capital Programme	2010/11 Revised Capital Programme	2011/12 Approved Capital Programme	Future Years
		£	£	£	£	£	£	£	£
<b>HEALTHY &amp; ACTIVE PEOPLE</b>									
	Disabled Facility Grants								
	Replace Athletics Track at Arena	23,920	450,000	473,920		650,000	650,000		
<b>EVERYONE HAS A HOME</b>									
	PLEA Scheme	6,920		6,920					
	Social Housing Grants	1,249,290	2,225,000	3,474,290		1,500,000	1,500,000	2,023,180	
	Private Sector Renewal Scheme		105,900	105,900					
	Development of General Fund Housing Land	1,850		1,850					
	Shakespeare Road Site	3,050		3,050					
	PSL Improvement Programme		200,000	200,000					
	Renovation Grants	(23,700)	500,000	476,300					
<b>SAFE CITY</b>									
	Replace Digital Recording Equipment at Control Centre		15,000	18,250		32,000	32,000	16,000	48,000
	CCTV Consultancy in Respect of Enhancements	3,250							
<b>COMMUNITY &amp; ENVIRONMENT TOTAL</b>		<b>2,579,270</b>	<b>12,835,760</b>	<b>15,415,030</b>		<b>5,138,750</b>	<b>5,138,750</b>	<b>2,149,180</b>	<b>158,000</b>

Lead Officer	Category	2008/09 Budget to be Carried Forward to 2009/10	2009/10 Approved Capital Programme	2009/10 Revised Capital Programme	2008/09 Budget to be Carried Forward to 2009/10	2010/11 Approved Capital Programme	2010/11 Revised Capital Programme	2011/12 Approved Capital Programme	Future Years
		£	£	£	£	£	£	£	£
<b>ECONOMY &amp; DEVELOPMENT</b>									
<b>ACCESSIBLE CITY</b>									
	DH	24,450		24,450					
National Cycle Network	C1								
Signage / Pedestrian Interpretation	C2	6,710	47,000	53,710					
Refurbish Broadwalk House Car Park	C2		100,000	100,000					
<b>CULTURAL CITY</b>									
18 North Street Panelling	C1	17,530	76,500	17,530					
Corn Exchange Enhancements	C1	66,990		143,490					
Floodlighting	C2	1,340		1,340					
<b>CARED FOR ENVIRONMENT</b>									
Heavitree - Environmental Enhancement	C2	7,250		7,250					
City Centre Enhancements	C2	(39,890)	200,000	160,110		200,000	200,000	200,000	400,000
Custom House	C1	5,000		5,000					
Conservation Area Enhancements	C2	8,460	2,000	10,460					
Ibstock Environmental Improvements	C2	4,450		4,450					
Magdalen Road Environmental Improvements	C1								
Planting Improvements in Riverside Valley Park	C2	14,250		14,250					
<b>LEARNING CITY</b>									
Improvements to Quay House Visitor Centre	C1		53,000	53,000					
<b>PROSPEROUS CITY</b>									
Basin / Quayside Redevelopment	C2	332,180	1,008,520	1,340,700		287,130	287,130	680,530	
Science Park	C2	25,760	70,000	95,760		749,910	749,910		
<b>SAFE CITY</b>									
CCTV at Haven Road Car Park & Boat Storage	C2	10,000	50,000	60,000					
Security Measures for Riverside Valley Park	C2		3,250	3,250					
<b>ECONOMY &amp; DEVELOPMENT</b>		<b>484,480</b>	<b>1,610,270</b>	<b>2,094,750</b>		<b>1,287,040</b>	<b>1,287,040</b>	<b>1,030,530</b>	<b>400,000</b>

Lead Officer	Category	2008/09 Budget to be Carried Forward to 2009/10	2009/10 Approved Capital Programme	2009/10 Revised Capital Programme	2008/09 Budget to be Carried Forward to 20010/11	2010/11 Approved Capital Programme	2010/11 Revised Capital Programme	2011/12 Approved Capital Programme	Future Years
		£	£	£	£	£	£	£	£
<b>CORPORATE SERVICES</b>									
<b>ACCESSIBLE CITY</b>									
	Equal Opportunities Improvements	27,280		27,280					
		C1							
		PM							
<b>ELECTRONIC CITY</b>									
	IT Capital Programme	122,930	518,580	641,510	176,500	176,500	176,500	176,500	
	IT Capital Programme	31,000	70,520	101,520					
		C1							
		C2							
		PE							
<b>EXCELLENCE IN PUBLIC SERVICES</b>									
	Replace Control Panels in Civic Centre Lifts	59,200		59,200					
	Civic Centre Communal Area Refurbishment	69,070	90,000	159,070					
	Civic Centre Update Committee Room Audio Visual Equipment		50,000	50,000					
	Civic Centre Replace Committee Room Tables & Chairs					10,000	10,000		
	Capitalised Staff Costs		370,000	370,000		370,000	370,000	370,000	
		C1							
		AS							
<b>CORPORATE SERVICES TOTAL</b>		<b>309,480</b>	<b>1,099,100</b>	<b>1,408,580</b>	<b>556,500</b>	<b>556,500</b>	<b>556,500</b>	<b>546,500</b>	

Lead Officer	Category	2008/09 Budget to be Carried Forward to 2009/10	2009/10 Approved Capital Programme	2009/10 Revised Capital Programme	2008/09 Budget to be Carried Forward to 2009/10	2010/11 Approved Capital Programme	2010/11 Revised Capital Programme	2011/12 Approved Capital Programme	Future Years
		£	£	£	£	£	£	£	£
<b>HRA CAPITAL</b>									
<b>EVERYONE HAS A HOME</b>									
	Sheltered Accommodation								
	Adaptations	300,000	356,000	656,000		650,000	650,000	700,000	
	Defective Properties - British Steel	160,120	177,000	400,000		400,000	400,000	400,000	
	Rendering Works - Flats	207,520	200,000	337,120		200,000	200,000	200,000	
	UPVC Gutters, Downpipes and Fascia Boards		100,000	407,520		100,000	100,000	100,000	
	MRA Fees		362,200	100,000		362,200	362,200	362,200	
	Environmental Improvements - Fencing	11,370		11,370					
	Communal Door Entry System	5,840	10,000	15,840		10,000	10,000	10,000	
	Environmental Improvements - General	17,040	116,000	133,040		116,000	116,000	116,000	
	Upgrading Council Roads / Footpaths	15,540		15,540					
	Programmed Re-roofing		250,000	250,000		275,000	275,000	300,000	
	Rennes / Faraday House Fire Alarm Upgrade	16,690		16,690					
	Housing Condition Survey		35,000	35,000					
	Energy Conservation	11,160	50,000	61,160		50,000	50,000	50,000	
	Asbestos Survey		200,000	200,000	90,590	200,000	290,590	30,000	
	Council House Extensions	58,030	75,000	133,030					
	External Walls		12,000	12,000		30,000	30,000		
	Kitchen Replacements		900,000	900,000		1,201,000	1,201,000	1,250,000	
	Asbestos Removal Works		50,000	50,000		25,000	25,000	25,000	
	Bathroom Replacements - Programmed	34,590	366,750	401,340		423,000	423,000	436,000	
	Construct Hard Standings / Parking Spaces	20,000		20,000					
	Communal TV Aerials		5,000	5,000					
	3 Bed Conversions to 4 Bed Dwellings	38,550		38,550					
	Development of HRA Land	6,320		6,320					
	Programmed Electrical Re-wiring	30,760	573,500	604,260		573,500	573,500	573,500	
	Weirfield House Refurbishment	60,000		60,000					
	Central Heating Programme		377,680	377,680		377,680	377,680	377,680	
<b>HOUSING REVENUE ACCOUNT TOTAL</b>		<b>993,530</b>	<b>4,616,130</b>	<b>5,609,660</b>	<b>90,590</b>	<b>4,993,380</b>	<b>5,083,970</b>	<b>4,930,380</b>	

Lead Officer	Category	2008/09 Budget to be Carried Forward to 2009/10	2009/10 Approved Capital Programme	2009/10 Revised Capital Programme	2008/09 Budget to be Carried Forward to 2009/10	2010/11 Approved Capital Programme	2010/11 Revised Capital Programme	2011/12 Approved Capital Programme	Future Years
		£	£	£	£	£	£	£	£
<b>CAPITAL AND PROJECT EXPENDITURE TOTAL</b>									
		4,366,760	20,161,260	24,528,020	90,590	11,975,670	12,066,260	8,656,590	558,000

Category	2008/09 Budget to be Carried Forward to 2009/10	2009/10 Approved Capital Programme	2009/10 Revised Capital Programme	2008/09 Budget to be Carried Forward to 2009/10	2010/11 Approved Capital Programme	2010/11 Revised Capital Programme	2011/12 Approved Capital Programme	Future Years	
	£	£	£	£	£	£	£	£	
HRA Capital Schemes	993,530	4,616,130	5,609,660	90,590	4,993,380	5,083,970	4,930,380		
Reasonably certain of being able to deliver within planned timescales								58,000	
Less certain of being able to deliver primarily due to factors outside the control of the Council	1,445,990	10,884,170	12,330,160		3,415,250	3,415,250	722,500		
	1,927,240	4,660,960	6,588,200		3,567,040	3,567,040	3,003,710	500,000	
<b>CAPITAL AND PROJECT EXPENDITURE TOTAL</b>									
	4,366,760	20,161,260	24,528,020	90,590	11,975,670	12,066,260	8,656,590	558,000	

**Category 1**

Is for those schemes that the Council is reasonably certain of being able to deliver within planned timescales

**Category 2**

Is for those schemes that the Council is less certain of being able to deliver, primarily due to factors outside the control of the Council

Lead Officer Key Table	
Head of Leisure and Museums	AC
Head of Treasury Services	AS
Engineering and Construction Manager	DH
Head of Estates Services	DP
Head of Environmental Health Services	RN
Director of Economy and Development	JR
Head of Corporate Customer Services	JS
Head of IT Services	PE
Head of Contracts and Direct Services	PM
Head of Economy and Tourism	RB
Head of Administration and Parking Services	RC
Head of Planning Services	RS
Head of Housing and Social Inclusion	SW

## EXETER CITY COUNCIL

### SCRUTINY COMMITTEE – RESOURCES 17 JUNE 2009

EXECUTIVE  
29 JUNE 2009

#### OVERVIEW OF REVENUE BUDGET 2008-09

#### 1. PURPOSE OF THE REPORT

- 1.1 To advise Members of the overall final financial performance of the General Fund Revenue Budget for the 2008-09 financial year ended 31 March 2009.

#### 2. HOUSING REVENUE ACCOUNT (Appendix A)

- 2.1 The final accounts show an overall increase in the HRA working balance from £2,848,591 to £2,858,265 an increase of £9,674 as compared with the break-even budget.

- 2.2 There is however a net overspend of £498,386 in operating expenditure which is primarily due to:

- An increase in expenditure on reactive repairs and repairs to void properties. This has been offset by an increase in income from rents due to a reduction in Right to Buy sales. The net overspend has resulted in a reduction in the Revenue Contributions to fund capital expenditure on the Exeter Standard and the government's Decent Homes Standard. The total Revenue Contribution to Capital in 2008-2009 is £510k.

- 2.3 The Major Repairs Allowance is 'ring fenced' for capital works and amounts to £3,122,044 and together with £510,000 as a Revenue Contribution to Capital, £243,135 from external funding and £1,330,916 of housing capital receipts a total of £5,206,095 was expended on central heating in 125 properties, bathroom replacements in 94 properties, re-roofing of 137 properties, programmed rewiring in 140 properties, kitchen replacements 183 and other works to meet the government's Decent Homes Standard.

#### 3. GENERAL FUND (Appendix B)

- 3.1 During the financial year regular reports have been made on the estimated revenue outturn for each Scrutiny Committee. The final outturn has now been calculated and major differences from the approved annual budget are highlighted below.

- 3.2 As in 2007/08 a further technical adjustment has been made in respect of deferred charges and deferred contributions. In respect of deferred charges, the government allows councils to treat some revenue expenditure as capital expenditure e.g. grants to Housing Associations, or grants to improve or develop assets owned by others (science park contributions and enhancements to the city centre). This expenditure must be shown in the revenue accounts for the year but it is financed by the use of capital receipts or borrowing and therefore these charges are removed from the net cost of services to ensure that they do not impact on the Council Tax requirement

- 3.3 Deferred contributions are government grants and external contributions received in respect of fixed assets. In order that this adjustment does not impact on the level of Council Tax it is required that the value of deferred contributions released to revenue accounts are reversed out when accounting for total service cost.
- 3.4 In 2008/09 Impairment costs of £2,090,348 have been charged to the accounts. Each year our Estates Management team are required to assess whether our individual property values have fallen, either because of a particular problem with an asset (known as consumption of economic benefits) or because of a general fall in market values. This year, the global recession has had a significant impact on property values and Exeter has not been immune to this. Therefore some of our properties have dropped significantly in value. Accounting rules require this drop in value in many cases to be charged to the service responsible for the asset. However, the Council is allowed to reverse out the charge below the line to a capital reserve on the Balance Sheet so that there is no impact on the Council Tax.
- 3.5 An accounting requirement has been introduced, which means that the Council is required to make a charge in its accounts to reflect the loss of interest made when the Council makes loans (Soft Loans) to individuals or organisations at less than a market rate of interest (£10,498). The Council has made an interest free loan to the Northcott Theatre and also provides interest free loans to landlords to upgrade their homes to enable us to provide accommodation to people who would otherwise be classed as homeless. The charges made have been included in the relevant service accounts. The government has introduced a statutory override in England allowing the amendment to be reversed out to ensure that there is no impact on the Council Tax.
- 3.6 There has been an additional FRS17 adjustment of £341,355; this is an actuarial adjustment as a result of the introduction of the new pension scheme in April 2008. Excluding Capital Charges, FRS17 adjustment, reversal of Soft Loans, Deferred Charges and Deferred Contributions the Service Committees show an overspend of £569,804 against a revised budget of £19,633,140.
- 3.7 In addition to Service Committee net expenditure, investment interest is credited to the account 'below the line'. The interest receipts were £660,552 under budget and this is discussed in the Treasury Management report elsewhere on the agenda. The unprecedented financial crisis has resulted in significant interest rate cuts around the world. However, accounting rules that don't allow the Council to recognise some £268,000 of unrealised profit in its accounts, until the investments mature, means that investment portfolio performance has been below estimate. As the unrealised profit will be recognised in next year's accounts, there should be an improvement against next year's budget.
- 3.8 Additional income has been received in the form of a Local Business Growth Incentive Grant (LABGI) of £577,266 and an Area Based Grant of £48,500. The LABGI is a Government initiative, which rewards Local Authority's economic development for increases in the rateable value of commercial properties above a floor and up to a specified maximum. The Area Based Grant was for the Youth Opportunity Task Force and Climate Change strategy.
- 3.9 The main Service Committee variations for the financial year are:
- 3.9.1 The new nationwide scheme for concessionary travel has resulted in a significant increase in cost for Exeter City Council and in 2008/09 this was £1,034,819 over the revised budget. As a result of the economic downturn, there was also a reduction in car park income of £466k compared with the budget.

- 3.9.2 The overall income level for the Archaeological Field Unit (AFU) was down; this was mainly due to falling demand within the construction industry with an increase in non chargeable time. As a result, the AFU incurred a deficit of £390k.
- 3.9.3 Due to non completion of planned maintenance work, Asset Improvement and Maintenance underspent by £480k. Some of this work will be undertaken in 2009/10.
- 3.9.4 The cost of Cleansing Services has reduced; a Local Public Service Agreement in respect of Street Cleansing has resulted in a Performance Reward Grant including a revenue allocation of £122,781. There has been an increase in income from the Trade Recycling Collection Service and a reduction in labour costs as a result of efficiencies in the service.
- 3.9.5 Housing Advisory services incurred additional costs, mainly in respect of repairs to void properties, increased costs for bed and breakfast, serviced accommodation and a reduction in the amount of housing benefit received.
- 3.9.6 In addition there has been £115,000 in Revenue Contributions to Capital in respect of Car Parks signage and Customer Satisfaction Tool, Social Housing grants, software for telephony, Warm Up Exeter scheme, IT software, and a vehicle replacement at the cemeteries.
- 3.10 At 31 March 2008 the General Fund working balance was £7,451,546 and a deduction of £1,868,433 has been made at 31 March 2009 leaving the current balance at £5,583,114. The minimum requirement for the General Fund working balance was approved by the Executive in February 2009 at £2million.
- 3.10.1 There is a requirement for supplementary budgets in 2009/10; these are identified in 3.11 below.
- 3.10.2 The council is also faced with considerable financial uncertainty in the medium term both in terms of a poor financial grant settlement and potential increasing budgetary pressures from, for example, the introduction of the national concessionary travel scheme. The current medium term financial plan has therefore already identified the need for significant ongoing revenue savings having to be identified and achieved.
- 3.10.3 Finally, the impact of the current review of local government within Devon may also have a significant budgetary impact for the City Council particularly with the financing of any potential transitional costs.
- 3.11 The Council has identified at the end of the year revenue budgets including AIM that have not been spent but where a commitment is required in the following 2009/10 financial year. It is therefore proposed supplementary budgets totalling £456,220 and identified in Appendix C and E are approved in 2009/10: -
- Scrutiny Committee – Resources; £71,090
  - Scrutiny Committee – Community; £32,300
  - AIM Carried Forward - £352,830
- 3.12 If we take into account the proposed supplementary budgets above the uncommitted General Fund working balance at 31 March 2009 is therefore £5,126,894.
- 3.13 Earmarked Reserves totalling £251,142 have been created for specific schemes and purposes as summarised below: -

- Scrutiny Committee – Community: £44,632
- Scrutiny Committee – Resources: £206,510

There has also been £1,271,738 transferred from Earmarked Reserves as follows:-

- Scrutiny Committee – Community: £251,049
- Scrutiny Committee – Economy: £264,569
- Revenue Contributions to Capital: £51,472
- Transfer from AIM : £600,730
- Transfer of an Earmarked Reserve to the Working Balance £103,918

During 2008/09 there has therefore been an overall net contribution from Earmarked Reserves of £1,020,596. (Appendix D)

3.14 The movement on Earmarked Reserves and the balance at 31 March 2009 are:

	Balance at 31March 2008 £'000	Balance at 31March 2009 £'000	Movement £'000
Earmarked Reserve			
Earmarked Reserves	2,642	1,622	(1,020)

#### 4. COUNCIL TAX

4.1 As at 1 April 2008, arrears amounted to £2.346m, the movements during 2008/09 were as follows:

	£m	£m
Arrears at 1 April 2008		2.346
Add:		
2008/09 debits raised net of discounts, benefits and transitional relief	45.672	
Less:		
Payments received	(46.281)	
Refunds and increase in pre-payments	803	
Write-offs	<u>(159)</u>	
Arrears at 31 March 2009		<u>£2.381</u>

4.2 Against the arrears of £2.381m, a bad and doubtful debt provision of £885k has been provided, calculated in accordance with the appropriate accounting guidelines.

4.3 The 'In-Year' collection rate has increased slightly in comparison with the previous year. The collection rate for 2008/09 was 97.4% compared with 97.3% in 2007/08.

## 5 OUTSTANDING SUNDRY DEBT

5.1 The Council issues invoices for a range of sundry debts, including :-

- Commercial rent;
- Trade waste;
- Service charge and ground rent for leasehold flat owners;
- Home call alarms;
- Housing benefit overpayments;
- and a range of other services such as room rental.

In these quarterly reports, comparisons will be made to inform members of progress in recouping this debt. This does not include housing rent, council tax or business rate debt.

5.2 Outstanding debt at 31 March 2008 was £4.097m, at 30 June 2008 it stood at £3.468m, at 30 September it also stood at £3.468m, at 31 December 2008 it was £3.959m and at 31 March 2009 it was 4.061m. An aged debt analysis is shown below, which demonstrates that of the £4.061m debt, £1.724m is less than 30 days old. Debt over 30 days old has decreased over the quarter from £2.691m to £2.337m.

Age of Debt	March 2009	December 2008	September 2008
Up to 29 days (current)	1,724,055	£1,267,743	£1,534,788
30 days – 1 Year	1,309,735	£1,600,756	£904,574
1 – 2 years	304,504	£329,621	£288,039
2 – 3 years	158,055	£221,535	£237,896
3 – 4 years	220,090	£171,663	£141,106
4 – 5 years	117,505	£121,193	£119,138
5 + years	227,459	£246,581	£242,125
<b>Total</b>	<b>£4,061,403</b>	<b>£3,959,091</b>	<b>£3,467,665</b>

5.3 Some 40% (£0.928m) of the £2.337m outstanding, overdue debt relates to housing benefit overpayments, which are subject to statutory regulations in respect of recovery. The remaining £1.409m equates to 10.4% of the total debt raised in 2008-09 (excluding benefits debt). The Council will aim to reduce this to below 10% during the year.

## 6 CREDITOR PAYMENTS PERFORMANCE

6.1 The creditors' payments in respect of the Statutory Performance Indicator BVPI8 have worsened in 2008/09 following the introduction of the new financial information, management and payments system. The percentage paid within 30 days was 87.24% for 2008/09 compared with 95.6 % for 2007/08. Work with the software supplier, together with staff development on the new operating system has improved performance during the year. Work is continuing to increase performance further.

The percentage of invoices paid within 30 days per quarter for 2008/09 was:

- Quarter 1 March to June – 83.9%
- Quarter 2 July to September – 79.91%
- Quarter 3 October to December – 91.32%
- Quarter 4 January to March – 92.59%

## **7 RECOMMENDATION**

**It is recommended that the report be noted and:**

- 7.1 That the net transfer of £1,020,596 from Earmarked Reserves as detailed in paragraph 3.14 is approved.
- 7.2 That Supplementary budgets totalling £456,220 are approved as detailed in paragraph 3.11
- 7.3 That Earmarked Reserves at 31 March 2009 be noted;
- 7.4 That the Council Tax account and collection rate be noted;
- 7.5 That the outstanding sundry debt and aged debt analysis be noted;
- 7.6 That the Creditor Payments performance be noted;
- 7.7 By taking into account the overall financial position of the Council as set out in paragraph 3.10 above, the General Fund working balance at 31 March 2009, be approved at £5,583,113;
- 7.8 That the Housing Revenue Account working balance at 31 March 2009 is approved at £2,858,265.

HEAD OF TREASURY SERVICES

CORPORATE SERVICES DIRECTORATE

**Local Government (Access to Information) Act 1985 (as amended)**

**Background papers used in compiling the report:**

None

BS/GF Overview  
26/05/09

**HOUSING REVENUE ACCOUNT**  
**FINAL ACCOUNTS 2008-09**

Appendix A

APPROVED ANNUAL BUDGET	£		YEAR END OUTTURN	£	VARIANCE TO BUDGET
85A1	2,894,900	Management	2,912,154	17,254	
85A3	279,160	Sundry Lands Maintenance	252,517	(26,643)	
85A4	7,735,840	Repairs Fund Contribution	7,928,666	192,826	
85A6	16,510	Capital Charges	23,621	7,111	
85A8	(14,905,670)	Rents	(15,141,456)	(235,786)	
85B1	4,425,560	Government Subsidy	4,414,726	(10,834)	
85B2	(446,300)	Interest	(399,902)	46,398	
85B4	0	Variance in Working Balance	9,674	9,674	
	<b>0</b>	<b>NET EXPENDITURE</b>	<b>(0)</b>	<b>(0)</b>	<b>(0)</b>

**Working Balance as at 1 April 2008**  
**2008/09 Transfer to Working Balance**  
**Working Balance as at 31 March 2009**

**2,848,591**  
**9,674**  
**2,858,265**

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EXETER CITY COUNCIL  
2008-2009 REVENUE ESTIMATES - SUMMARY

REVISED ANNUAL BUDGET		YEAR END OUTTURN	VARIANCE TO BUDGET
£		£	£
16,957,340	SCRUTINY - Community	16,729,650	(227,690)
2,002,270	SCRUTINY - Economy	3,816,346	1,814,076
6,227,300	SCRUTINY - Resources	5,907,827	(319,473)
0	Trading Account	69,531	69,531
(6,242,010)	less Notional capital charges	(7,360,954)	(1,118,944)
0	Soft Loans reversal	10,948	10,948
688,240	FRS17 Pension Adjustment	1,029,595	341,355
19,633,140	<b>SERVICE COMMITTEE NET EXPENDITURE</b>	20,202,944	569,804
(1,300,000)	Net Interest	(639,448)	660,552
0	Business Growth Incentive Grant	(577,266)	(577,266)
0	Area Based Grant	(48,500)	(48,500)
18,333,140	<b>GENERAL FUND EXPENDITURE</b>	18,937,730	604,590
(1,055,307)	Transfer To/From(-) Working Balance	(1,868,433)	(813,126)
(461,930)	Transfer To/From(-) Earmarked Reserves	(1,020,596)	(558,666)
0	Revenue Contributions to Capital	166,472	166,472
(600,730)	AIM Carried Forward	0	600,730
16,215,173	<b>COUNCIL TAX NET EXPENDITURE</b>	16,215,173	(0)
(11,892,916)	Formula Grant	(11,892,916)	0
4,322,257	Council Tax Net Expenditure	4,322,257	0
	<b>Working Balance as at 1 April 2008</b>		£7,451,546
	<b>2008/09 Transfers from Working Balance</b>		(1,868,433)
	<b>Working Balance as at 31 March 2009</b>		£5,583,113

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<b>Resources</b>		
Revenues Recovery	Bailiff Software Interface	5,000
Community Strategy	Publication	4,320
Community Technical	Pilot schemes	14,000
Grants and Contributions	Balance from 08/09	23,460
Guildhall	Conserve Cap & Sword	11,560
IT Services	Helpdesk	4,750
Community	Engagement Partnership	8,000
		<b>71,090</b>
<b>Community and Environment</b>		
Leisure	Leisure Facilities Review	27,300
Waterways and Countryside	Canal Development Plan	5,000
		<b>32,300</b>
	<b>Overall Total</b>	<b>103,390</b>

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**2008/09 Reserves Movement**

Budget Amount	Code Description	Expenditure/Income Description	Actual
-£5,000	TRANSPORT INITIATIVE RESERVE	Contribution to Travelsmart (1st of 3 annual payments)	-£5,000.00
-£135,000	LOCAL DEVELOPMENT FRAMEWORK	Local Development Framework Expenditure	-£35,855.29
-£176,840	PLANNING DEL GRANT-REVENUE	Planning Delivery Grant Expenditure	-£103,614.26
-£55,000	PRINCESSHAY	Princesshay/Other Projects	-£52,275.91
£0	Building Control	Balance transfer	-£67,823.58
<b>-£371,840</b>			<b>-£264,569.04</b>
-£82,090	TREE MANAGEMENT		-£107,620.30
-£8,000	VEHICLE LICENCING		£16,473.08
£0	Splash Scheme		-£11,361.36
£0	Empty Homes Initiatives		£2,455.79
£0	HMA Study		-£31,860.00
£0	Leisure Facilities		-£100,207.02
	Climate Change	New	£15,702.86
	Isca Bowls		£10,000.00
<b>-£90,090</b>			<b>-£206,416.95</b>
£0	Telephony		£6,510.00
£0	Insurance Reserve Transfer		-£103,918.00
£0	LABGI	New	£200,000.00
£0	Transfer from AIM		-£600,730.00
	Revenue Contributions to Capital		-£51,472.00
			<b>-£549,610.00</b>
<b>-£461,930</b>			<b>-£1,020,595.99</b>

**2008/09 Revenue Contributions to Capital Outlay**

Resources	IT Software	£10,000.00
Community	Warm Up Exeter Grave Digger	£50,000.00 £5,000.00
Economy	Estates Car Parks	£17,500.00 £32,500.00
Earmarked Reserves		£51,472.00
		<b>£166,472.00</b>

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	£
Turntable at MRF Site	33,900
City Wall Repairs	33,770
Safety Barriers to Rising Mains - Civic Centre	2,500
Timber Sleepers - Glass Stock Pile	10,000
Canal Bank Underpinning	4,950
Howell Road/Triangle - Car Park Lighting	1,650
Guildhall - Internal Repairs and Redecoration	14,000
Corn Exchange - Alteration to Heating	20,000
Cathedral and Quay - Redecoration Stairs and Floor	9,250
Water Lane - Improve Surface	4,500
Repaving Clipper Quay	2,000
Rougemont House - Internal Works	33,440
Legionella Prevention Works	15,000
Rowley Gallery Roof	37,870
Pyramids	65,000
Redecking Cycle Bridge	4,000
Door to Bus Station for DDA	6,000
Lease Repairs	45,000
Topsham Museum	6,000
Relocation of Civic Centre Dry Riser	4,000
<b>Total AIM Carried Forward</b>	<b>352,830</b>

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# Agenda Item 5

## EXETER CITY COUNCIL

### SCRUTINY COMMITTEE – RESOURCES 17 JUNE 2009

EXECUTIVE  
29 JUNE 2009

#### TREASURY MANAGEMENT – 2008-09

#### 1. PURPOSE OF REPORT

- 1.1 To report the overall performance for the 2008-2009 financial year and the position regarding investments and borrowings at 31 March 2009.

#### 2. FINAL NET INTEREST POSITION

- 2.1 The General Fund shows a net reduction in interest receivable compared to the estimate, the position is:

	Estimate		Actual	Variation
	£		£	£
<b>Interest paid</b>	(50,000)		(69,875)	(19,875)
<b>Interest earned</b>				
Interest from portfolio	1,380,000		1,189,224	(190,776)
Temporary investment interest	500,000		(42,295)	(542,295)
Other interest earned	5,000		3,668	(1,332)
Less				
Interest to HRA	(445,000)		(382,720)	62,280
Interest to s106 agreements	(75,000)		(39,346)	35,654
Interest to Trust Funds	(15,000)		(18,586)	(3,586)
Lord Mayors Charity	0		(623)	(623)
GF interest received	<u>1,350,000</u>		<u>709,323</u>	<u>(640,677)</u>
Net interest	<u>1,300,000</u>		<u>639,448</u>	<u>(660,552)</u>

- 2.2 The other interest earned relates principally to car loan repayments and various repayments of interest.
- 2.3 The reduction against budget has been caused by a number of factors. Please see section 3 for a detailed explanation.

### 3. INVESTMENT INTEREST

3.1 The managed cash funds have reduced during the year from £23.4 million to £20.1 million as at 31 March 2009. A withdrawal of £4.7m has been made during the year to manage cashflow.

3.2 The unprecedented financial crisis has resulted in significant interest rate cuts around the world. As our investment manager had invested for up to 1 year during the early to mid part of 2008-09, they had locked into some high interest rates and therefore have outperformed the benchmark by 3.41% during the past financial year. However the removal of £4.7 million during last summer and accounting rules that don't allow the Council to recognise some £268,000 of unrealised profit in its accounts, until the investments mature, means that performance has been below estimate. As the unrealised profit will be recognised in next year's accounts, there should be an improvement against next year's budget.

3.3 Interest of £1,189,224 was earned by the fund and in addition the fund has also generated £267,853 of unrealised profits, which will be recognised in the accounts in the current financial year. This equates to an overall rate of return of 7.15% (5.71% net of the unrealised profit) compared to a benchmark return of 3.74%.

3.4 Performance in the last five years has been generally solid, with the exception of 2006-07. However, the current economic downturn has provided Investec with the opportunity to make an exceptional return this year:

	Performance	Benchmark	Variation
2004-2005	4.72%	4.48%	+0.24%
2005-2006	4.57%	4.48%	+0.09%
2006-2007	4.21%	4.82%	-0.61%
2007-2008	5.80%	5.63%	+0.17%
2008-2009	7.15%	3.74%	+3.41%

3.5 Temporary investment interest has been weak this year as a result of a poor cashflow position, which has meant that the Council has spent most of the year undertaking temporary borrowing rather than investing surplus funds. Indeed only six short term investments have been made this year, although the Council also made use of its call account facility with the Bank of Scotland and the public sector reserve account held at the Co-operative Bank.

3.6 Additionally, the £5m invested in two Icelandic banks back in late 2007, remains frozen, after the Icelandic government stepped in to ensure that the Icelandic banking system did not collapse in October 2008. This has meant that the anticipated interest receipts have not been received and that we have had to remove the amount accrued in the accounts for 2007-08. This has ensured that the interest earned is significantly below budget.

- 3.7 Recent guidance has been published by CIPFA, recommending an appropriate level of write-down for the investments held in Icelandic banks.

#### **Glitnir**

In respect of Glitnir, CIPFA note that the LGA's current legal advice places local authority deposits as priority claims, and that the latest public presentation of Glitnir's affairs indicates that the bank's assets are significantly greater than their liabilities owed to depositors. They suggest that this indicates that a full repayment of the amount invested plus interest accrued up to 14 November 2008 is likely. If this is the case then the Council would lose 21 days interest only. The key issue is whether Council deposits are classed as priority claims. If they were not then the amount recoverable would be substantially lower. The current expectation is for repayment during 2009-10 financial year.

#### **Landsbanki**

In respect of Landsbanki, CIPFA again note that the LGA's current legal advice places local authority deposits as priority claims, and that the latest public presentation of Landsbanki's affairs indicates that the bank's assets are sufficient to repay approximately 90% of customers deposits plus interest up to 14 November 2008. As our deposit would have matured on 3 November 2008, this therefore includes our entire interest claim from Landsbanki. CIPFA believe that full repayment remains possible and therefore give a range of 90%-100% repayment. We have therefore written down the asset to 95% of its value in line with the recommended guidance. In cash terms the range of recovery at this level would be between £2.87m and £3.19m. Again the key issue is whether Council deposits are classed as priority claims. If they are not then the amount recoverable would be substantially lower. Repayment is expected to be more complex and likely to be over a number of years up to 2012.

In respect of both banks this is the latest available information and is subject to change, therefore the amount actually received could go up or down.

### **4. BORROWINGS**

- 4.1 The Council has had to borrow temporarily for cashflow purposes throughout the year and incurred interest of £69,875 during the year. Interest rates have been very low towards the end of the year and have meant that interest payable in the year is actually lower than in 2007-08. At 31 March 2009 the Council had £18,000,000 of borrowing which is being repaid by June 2009. The Council continues to have no long term debt.

## **5. FUTURE POSITION**

- 5.1 As interest rates remain very low the Council will continue to use short term borrowing to manage its cashflow. Current rates for borrowing are between 0.35 and 0.40% for 1-2 months. Borrowing over 25 years through the PWLB remains around 4.5%.
- 5.2 The internal investment strategy has been tightly restricted to UK only banking operations meaning that it is difficult to invest at the moment. There is very little desire from HSBC, Barclays and RBS to take money for a couple of weeks and we have been using our Public sector reserve with the Co-op and call account with the Bank of Scotland.
- 5.3 It remains imperative that the fund manager performs above the benchmark to maximise the return for the Council. However they are also limited by the very low interest rates and little value in the gilt market. Therefore investment interest returns for 2009-10 will be considerably lower.
- 5.4 During the year the Icelandic authorities should agree the final assets and liabilities of the banks and the position in respect of our investments should become clearer.

## **6. RECOMMENDATION**

- 6.1 That the Treasury Management report for the 2008-2009 financial year be noted.

HEAD OF TREASURY SERVICES

CORPORATE SERVICES DIRECTORATE

**Local Government (Access to Information ) Act 1985 (as amended)**

**Background papers used in compiling the report:**

None

## EXETER CITY COUNCIL

### SCRUTINY COMMITTEE - RESOURCES 17 JUNE 2009

EXECUTIVE  
29 JUNE 2009

#### ANNUAL GOVERNANCE STATEMENT

##### 1. PURPOSE OF THE REPORT

- 1.1 This report sets out the proposed Annual Governance Statement to be included within the Council's Annual Statement of Accounts for 2008/09.

##### 2. BACKGROUND

- 2.1 CIPFA/SOLACE has previously issued a framework and guidance on delivering governance in local government. This framework illustrates best practice for developing and maintaining a local code of governance and it recommends that authorities must be able to demonstrate that they are complying with the principles of good governance.
- 2.2 The preparation and publication of an Annual Governance Statement in accordance with CIPFA/SOLACE guidance is required to comply with Regulation 4(2) of the Accounts and Audit (Amendment) (England) Regulations 2006. The Council is required to publish the Annual Governance Statement in the Annual Statement of Accounts for 2008/09.

##### 3. ANNUAL GOVERNANCE STATEMENT

- 3.1 A draft Annual Governance Statement for inclusion in the Council's Annual Accounts for 2008/09 is attached to this report.
- 3.2 The Annual Governance Statement should include the following information:
- An acknowledgement of responsibility for ensuring there is a sound system of governance (incorporating the system of internal control)
  - An indication of the level of assurance that the systems and processes that comprise the authority's governance arrangements can provide
  - A brief description of the key elements of the governance framework, including reference to group activities where those activities are significant
  - A brief description of the process that has been applied in maintaining and reviewing the effectiveness of the governance arrangements, including some comment on the role of:
    - the authority
    - the executive

- the audit committee/overview and scrutiny function/risk management committee/standards committee (as appropriate)
  - internal audit
  - other explicit review/assurance mechanisms
- An outline of the actions taken, or proposed, to deal with significant governance issues, including an agreed action plan.

#### **4. RECOMMENDATIONS**

It is recommended that:

- 4.1 Scrutiny Committee Resources supports the Annual Governance Statement to be included within the Council's Annual Statement of Accounts for 2008/09.

HEAD OF TREASURY SERVICES

CHIEF EXECUTIVE

CORPORATE SERVICES DIRECTORATE

**Local Government (Access to Information) Act 1985 (as amended)**  
**Background papers used in compiling this report:**

Delivering Good Governance in Local Government – Guidance Note for English Authorities;  
CIPFA/SOLACE 2007

**EXETER CITY COUNCIL**  
**ANNUAL GOVERNANCE STATEMENT**

**1. SCOPE OF RESPONSIBILITY**

- 1.1 Exeter City Council is responsible for ensuring that its business is conducted in accordance with the law and proper standards, that public money is safeguarded and properly accounted for and used economically, efficiently and effectively. It also has a duty under the Local Government Act 1999 to make arrangements to secure continuous improvement in the way in which its functions are exercised, having regard to a combination of economy, efficiency and effectiveness.
- 1.2 In discharging this overall responsibility, the Council is responsible for putting in place proper arrangements for the governance of its affairs, facilitating the effective exercise of its functions, and which includes arrangements for the management of risk.
- 1.3 The City Council has approved and adopted a code of corporate governance, which is consistent with the principles of the CIPFA/SOLACE Framework Delivering good Governance in Local Government. A copy of the code is on the website or can be obtained from the Civic Centre, Paris Street, Exeter EX1 1JN. This statement explains how the Council has complied with the code and also meets the requirements of regulation 4(2) of the Accounts and Audit (Amendment) (England) Regulations 2006 in relation to the publication of a statement on internal control in accordance with proper practice. Proper practice has been defined as an Annual Governance Statement.

**2. THE PURPOSE OF THE GOVERNANCE FRAMEWORK**

- 2.1 The governance framework comprises the systems, processes, culture and values, by which the authority is directed and controlled together with activities through which it accounts to, engages with and leads the community. It enables the authority to monitor the achievement of its strategic objectives and to consider whether those objectives have led to the delivery of appropriate, cost-effective services.
- 2.2 The Council's system of internal control is a significant part of that framework and is designed to manage risk to a reasonable level. It cannot eliminate all risk of failure to achieve policies, aims and objectives and can, therefore, only provide reasonable and not absolute assurance of effectiveness. There is an ongoing process designed to identify and prioritise risks to the achievement of Council's policies, aims and objectives, to evaluate the likelihood and impact of those risks being realised and to manage them efficiently, effectively and economically.
- 2.3 The governance framework has been in place at Exeter City Council for the year ended 31 March 2009 and up to the date of approval of the Annual Statement of Accounts. The Council supports the six core principles set out in *The Good Governance Standard for Public Services (2004)* developed by the Independent Commission on Good Governance in Public Services. The following paragraphs describe the arrangements in place to meet the six core principles of effective governance.

3. **PRINCIPLE ONE - FOCUSING ON THE PURPOSE OF THE AUTHORITY AND ON OUTCOMES FOR THE COMMUNITY AND CREATING AND IMPLEMENTING A VISION FOR THE LOCAL AREA**

3.1 The Council aims to use resources effectively and provide high performing, value for money services that focus on customer needs.

3.2 We have a comprehensive performance management framework that supports the effective monitoring and management of performance. The main elements of our performance management arrangements are summarised below:-

- **The Exeter Vision** is the city's community strategy for the next 20 years. It was written in consultation with key partners in the city. It sets out the priorities for the city.
- The Council's **Strategic Objectives** support the themes of the Exeter Vision. They set out the priorities for the Council. They are reviewed every five years.
- The Council's **Corporate Priorities** are set annually and support the strategic objectives. They set out the priorities for the Council in the forthcoming year.
- Each service maintains a **Service Improvement Portfolio**, which identifies its key partners, customers and priorities. They are designed to focus on outcomes and service priorities to ensure that work is targeted and meaningful. Service improvement portfolios identify key performance indicators, help challenge how services contribute to strategic objectives, and identify ways of increasing service contribution to corporate priorities such as sustainability, e-government, community safety and social inclusion. All actions within the service plans are linked to the Council's strategic objectives.
- Each member of staff has an **Annual Personal Appraisal** where they review performance against targets and set objectives for the forthcoming year. These objectives feed into their service plan and are also grouped under the Council's strategic objectives.
- The Council must also take account of the priorities set by the **Devon LAA**. The Local Strategic Partnership is responsible for monitoring achievement against the LAA targets that are specific to Exeter.
- The availability of quality, timely, accurate and comprehensive performance information is critical for the Council's decision-making process. Performance indicators are used to inform decisions on the allocation of resources and the setting of priorities and targets. They are also used to compare the Council's performance with other councils and to enable external bodies and the public to scrutinise the effectiveness of the various services that are provided. The Council uses a combination of statutory, local and management indicators to monitor performance. Following the introduction of a new National Indicator Set and the deletion of the previous Best Value Indicators, a review of all our performance indicators has been undertaken. As the Council is keen to ensure enough performance information is collected in order to manage services effectively, many Best Value indicators will be retained.
- Directors regularly review performance indicator results and progress against planned actions. These are also reviewed every six months by Scrutiny Committees. In 2006, we procured integrated performance management software to help focus on managing performance as well as reporting on it. Performance information is now available to all officers and Members on a quarterly basis.

- Finally, the website, Intranet and the Exeter Citizen are used to communicate performance to the public. A summary of our key achievements and overall performance is distributed to all households in Exeter.

3.3 A range of financial management measures are in place to ensure the effective use and management of resources including: -

- A medium-term financial plan covering both revenue and capital spend which provides a framework for the planning and monitoring of resource requirements.
- Operation of the Capital Strategy aims to ensure that investment is linked to Strategic Objectives. Bids for capital and other asset management funding require an effective 'business case' linked to Strategic Objectives, and progress in delivering projects is formally monitored by Councillors and Directorate Management Teams.
- Financial stewardship is reported to Councillors quarterly, and is considered regularly by Directorate Management Teams. This is supported by an established budget monitoring process by managers and Accountancy staff.
- Standing Orders and Financial Regulations contained within the Council's Constitution set out the overall framework that governs the management of the Council's finances.

3.4 The Council operates a complaints procedure and uses this to identify areas where service quality is not satisfactory, and to take action to improve.

#### **4. PRINCIPLE TWO - MEMBERS AND OFFICERS WORKING TOGETHER TO ACHIEVE A COMMON PURPOSE WITH CLEARLY DEFINED FUNCTIONS AND ROLES**

4.1 The Council aims to ensure that the roles and responsibilities for governance are defined and allocated so that accountability for decisions made and actions taken are clear. This is contained in the Council's Constitution which sets out how the Council operates and how decisions are made. In particular it sets out a clear statement of the roles of committees, the full council, members and senior officers.

4.2 The Constitution also includes a Member/Officer protocol which describes and regulates the way in which Members and Officers should interact to work effectively together.

4.3 All Committees have clear terms of reference and work programmes to set out their roles and responsibilities. The Resources Scrutiny Committee provides assurance to the Council on the effectiveness of the governance arrangements, risk management and internal control arrangements.

4.4 The Council's Chief Executive (and Head of Paid Service) leads the Council's officers and chairs the Strategic Management Team.

4.5 The Head of Treasury Services, as the s151 Officer carries overall responsibility for the financial administration of the City Council.

4.6 The Monitoring Officer (the Head of Legal Services) carries overall responsibility for legal compliance.

4.7 When working in partnership the Council will ensure that:-

- Members are clear about their roles and responsibilities both individually and collectively in relation to the partnership and to the Council
- Representatives or organisations both understand and make clear to all other partners the extent of their authority to bind their organisation to partner decisions.

**5. PRINCIPLE THREE - PROMOTING VALUES FOR THE AUTHORITY AND DEMONSTRATING THE VALUES OF GOOD GOVERNANCE THROUGH UPHOLDING HIGH STANDARDS OF CONDUCT AND BEHAVIOUR**

- 5.1 To ensure that members and officers exemplify good standards of behaviour the Council has in place appropriate codes of conduct. These clearly set out the standards of conduct and personal behaviour expected of members and officers. In particular the codes put in place arrangements to ensure that members and officers of the Council are not influenced by prejudice, bias or conflicts of interest in dealing with different stakeholders.
- 5.2 The Council takes fraud, corruption and maladministration very seriously and has in place the following which aim to prevent or deal with such occurrences: -
- Anti-fraud and Anti-corruption Strategy
  - Whistle Blowing Policy
  - Human Resources Policies and Procedures regarding disciplinary of staff involved in such occurrences
  - Fraud reporting facility on the website
- 5.3 The Council has a Standards Committee to advise the City Council on the adoption of Codes of Conduct with the aim of promoting and maintaining high standards of conduct by members and officers and the subsequent monitoring and updating of the codes.
- 5.4 The Council has a complaints procedure in place to receive and investigate any complaints that are made.

**6. PRINCIPLE FOUR - TAKING INFORMED AND TRANSPARENT DECISIONS WHICH ARE SUBJECT TO EFFECTIVE SCRUTINY AND MANAGING RISK**

- 6.1 The Council's Constitution sets out how the Council operates and the processes for policy and decision making.
- 6.2 The Full Council, comprising 40 Members, meets several times each year to decide the Council's overall policies and set the budget. In addition to recommending major strategies to the Council, the Executive is responsible for the most significant and day to day decisions which are not delegated to officers. There are three scrutiny committees which support the work of the Executive and the Council as a whole. They consider issues and review services within their remit and make recommendations to the Executive and the Council on its policies, budget and service delivery issues. Scrutiny Committees also monitor the decisions of the Executive and can in certain circumstances "call-in" a decision which has been made but not yet implemented.
- 6.3 The Forward Plan, which is published on a monthly basis, identifies key decisions which are likely to be made, either by the Executive or the Council, in the following four month period.

- 6.4 Other decisions are made by officers under delegated powers. The list of decisions made by officers in consultation with portfolio holders is maintained by Member Services, to whom completed delegated powers forms are sent. The decisions are also recorded on the Council's intranet. A record of delegated decisions in relation to staffing matters is maintained by Human Resources.
- 6.5 Policies and procedures governing the Council's operations include:-
- Financial Regulations and Standing Orders
  - Data Protection
  - Corporate Procurement
  - Risk Management
  - Freedom of Information
  - Business Continuity
- 6.6 Internal Audit is an independent appraisal function that reviews all of the Council's activities, both financial and non-financial. Internal Audit provides a service to the whole Council in order to provide assurance on the arrangements for risk management, internal control and corporate governance, and to provide advice to support achievement of best practice.
- 6.7 Exeter City Council is committed to the effective management of risk at every level within the Council. A Risk Management Policy has been established that states the Council's objectives, approach, procedures and responsibilities. To support the policy, Risk Management Procedures have been produced that explain how the Council's risk management process works. The procedures show the various documents used, and explain how the risk analysis form should be completed. The Council's risk management process is audited on a regular basis by its Internal Auditors using the enhanced systems based auditing approach they devised.
- 6.8 The Council maintains a corporate risk register but for reporting purposes it also maintains a summary risk register that does not include the 'Low' risk ratings. Its purpose is for reporting half-yearly to the Scrutiny Committee - Resources the 'High' and 'Medium' risks, mitigating actions agreed and taken, etc. so that risk management progress can be monitored. Reports are also made to the Executive and the other two Scrutiny Committees on a yearly basis.
- 6.9 Financial Management processes and procedures are set out in the City Council's Financial Regulations and include the following:-
- Financial Management Responsibilities
  - Financial Planning
  - Control of Expenditure and Income
  - Banking Arrangements
  - Disposal of Assets
  - Insurance
  - Orders and Payment for Goods, Work or Services
- 7. PRINCIPLE FIVE - DEVELOPING THE CAPACITY AND CAPABILITY OF MEMBERS AND OFFICERS**
- 7.1 The Council aims to ensure that members and officers of the Council have the skills, knowledge and capacity they need to discharge their responsibilities and recognises the value of well trained and competent people in effective service delivery. All new members and officers undertake an induction to familiarise them with the policies, procedures, values and

aims of the Council. The Council has also signed up to the South West Charter for elected Member Development.

- 7.2 There is a Councillor Development Framework which broadly outlines the skills and knowledge required by Councillors to perform their different roles and provides an indication of how they might carry them out effectively. It is not intended to be exhaustive or prescriptive but to provide a structure for officers to develop learning & development programmes and act as a prompt for new and existing Councillors to identify areas where they need support. This support could be in the form of information, training, facilitated workshops, coaching and mentoring, or opportunities to learn from observation. The framework is designed to be flexible, so that Councillors can work with officers to identify the most effective methods to meet learning development needs.
- 7.3 The Council has also developed its own Councillors' Information Portal. This gives members access via the intranet to a wide range of information on a range of key topics.
- 7.4 The Council knows that its employees are its most important resource. It recognises that the quality of the services provided by the Council depends on the quality of its employees. The Appraisal and Development Scheme is the way in which employees and their managers can identify their training and development needs and one way in which managers can talk to their staff about their work and the work of the Council.
- 7.5 The Council is an 'Investors in People' organisation and has been awarded IIP three times.
- 7.6 A full programme of training and development is available to all managers to provide them with the understanding, knowledge and skills to carry out their managerial responsibilities effectively.

## **8. PRINCIPLE SIX - ENGAGING WITH LOCAL PEOPLE AND OTHER STAKEHOLDERS TO ENSURE ROBUST PUBLIC ACCOUNTABILITY**

- 8.1 As a community leader the City Council works with numerous partners to contribute to the overall quality of life in the city, but it is also concerned with providing the highest quality public services and the widest access to those services. Individual services are continuously assessing service levels and making improvements in line with legislative requirements and customer feedback.
- 8.2 Last year the Council reviewed its priorities to set out what it wants to achieve over 2007-2010. It identified the priorities in light of the challenges facing Exeter including those issues important to local people and issues of local and national concern.
- 8.3 The Council has a continuous programme of consultation and engagement with its residents and communities which informs its activity. The Council employs a range of methods to ensure that it hears the views of all our residents. These include:
- Wavelength - a citizens' panel which is made up of 1000 people representing all sections of the community.
  - Community Forums – these give all citizens the chance to talk to the Council and partner agencies about issues that concern them.
  - Surveys – used to obtain detailed feedback about services.
  - Focus groups – used to obtain detailed feedback about services.

- Exhibitions and roadshows – used to launch new ideas and initiatives.

## **9. REVIEW OF EFFECTIVENESS**

9.1 The City Council has responsibility for conducting, at least annually, a review of the effectiveness of its governance framework including the system of internal control. The review of effectiveness is informed by managers within the Council who have responsibility for the development and maintenance of the governance environment, the work of the internal auditors and also by comments made by the external auditors and other review agencies and inspectorates.

9.2 The processes for maintaining and reviewing the effectiveness of the governance framework are: -

- The Executive is responsible for considering overall financial and performance management and receives comprehensive reports throughout the year.
- The Scrutiny Committee Resources monitors the overall financial performance of the Council and also discharges the functions of an audit committee including monitoring the effectiveness of risk management. Risk management reports and financial stewardship reports are also presented to both Scrutiny Committee Economy and Scrutiny Committee as appropriate.
- Annual reviews of the Council's key financial and non financial systems by Internal Audit against known and evolving risks
- Cyclical reviews by Internal Audit of internal controls in operation within each service area against known and evolving risks
- Annual service planning to align service development against Strategic Objectives
- The Monitoring Officer provides assurance that the Council has acted lawfully and that agreed standards have been met
- Half-yearly reports to the Council's Scrutiny Committee - Resources on the work of and recommendations made by the Internal and the External Auditors
- Annual reviews of the Council's financial accounts and records by the External Auditors leading to their opinion as published in the year end statements
- Ongoing reviews of strategic and operational risks in each service area and the conduct of risk analysis and management in respect of major projects undertaken by the Council
- Reviews and, where appropriate, update of the Council's Financial Regulations and Standing Orders

## **10. SIGNIFICANT GOVERNANCE ISSUES**

10.1 The following steps have been undertaken during the year to further improve our Corporate Governance Arrangements: -

- A review of neighbourhood engagement has been undertaken including a review of the Council's My Neighbourhood Pilot project.

- The Council has approved a Councillors' Learning and Development Strategy which provides a broad framework within which the learning and development needs of Councillors can be identified and learning events delivered.
- Addressed recommendations made by the Audit Commission in their Annual Audit and Inspection Report and other reports as appropriate
- Reviewed the areas for improvement identified in the annual assurance statement by the Head of Internal Audit namely:-
  - Mitigating action has been taken to minimise health and safety risks at the Canal.
  - Work has commenced during the year to establish individual service risk registers for high risk service areas.
  - Business Continuity Planning has now been included in the standard systems' audit test papers used by the Council's internal auditors.

As a result of a review of our overall arrangements, the following have been identified as actions over the coming year: -

- Continue to review the support and development needs of Councillors within the framework of the Member Development Charter and IDeA Supporting Councillors Declaration.
- Develop an appropriate model for roll out of the Council's Neighbourhood Engagement work.
- Implement the action plan required for connection to the Government's Secure Network
- Address the recommendations made by the Audit Commission in their Annual Audit and Inspection Letter including:-
  - Addressing performance issues that have been highlighted for planning and housing benefits
  - Ensuring that the Council is well positioned to meet the challenge of the revised Use of Resources assessment.

**11. CERTIFICATION**

We propose over the coming year to take steps to address the above matters to further enhance our governance arrangements. We are satisfied that these steps will address the need for improvements that were identified in our review of effectiveness and will monitor their implementation and operation as part of our next annual review.

Signed: .....

Signed: .....

Date: .....

Date: .....

**Chief Executive**

**Leader of the Council**

## EXETER CITY COUNCIL

### SCRUTINY RESOURCES 17 JUNE 2009

EXECUTIVE  
29 JUNE 2009

#### DELIVERING VALUE FOR MONEY

##### 1. PURPOSE OF THE REPORT

- 1.1 To report on the Council's performance in trying to achieve value for money cash efficiency savings for the previous (2008/09) financial year.

##### 2. BACKGROUND

- 2.1 The Government previously set every local authority a target for efficiency gains of 2.5 per cent for each of the 3 years of the 2004 Spending Review (SR04) period covering 2005/06 to 2007/08. Local Government was set an overall target of achieving efficiency savings of £6.45 billion by 2007/08. A key point of this overall target was that at least one-half of efficiency gains should be "cashable" where these can be defined as those where there is a direct financial saving or benefit, with money released that can be spent elsewhere or recycled within a service to deliver better results. The remainder of the gains could be "non-cashable" where the gains do not necessarily lead to lower costs, but which lead to improved performance for the resources used. By the end of the 3 year period ending 2007/08, Local Government had comfortably exceeded the target that it had been set. Exeter City Council significantly exceeded its own target by identifying cumulative savings of £3,211,802 of which £2,136,504 were cashable. The target that it had been set to achieve was £1.476 million of which £738,000 would be 'cashable' efficiency gains.
- 2.2 In the 2007 Comprehensive Spending Review (CSR07), the Government set out even harder efficiency targets to be achieved. All public services were set a target of achieving at least 3% net cash-releasing value for money gains per annum over the period 2008/09 to 2010/11 with Councils expected to achieve £4.9 billion cash-releasing efficiencies by 2010/11. However In the Chancellor's most recent budget statement on 22 April 2009 he announced increased targets for efficiency savings in 2010/11 across the public sector. Councils in England will now be expected to deliver 4% savings in 2010/11 – an additional 1% on top of the 3% originally envisaged in CSR07. As a result, the efficiency target for the whole of the CSR07 period is now £5.5 billion.
- 2.3 Individual councils are no longer required to have an efficiency target unless agreed as one of the Local Area Agreement targets. This is a change from the previous regime for achieving and recording value for money. The approach now taken by the Government means that there will not be a mandatory efficiency target for each council. While there is a target for 3% per annum cash-releasing value for money gains for the sector overall it will not be cascaded down to every council.

### 3. MEASURING AND ASSESSING EFFICIENCY GAINS

3.1 National Indicator 179, one of the indicators in the new National Indicator Set, is the mechanism through which councils report their progress on achieving value for money gains in CSR07. It replaces the Annual Efficiency Statement (AES) in use for the SR04 period. The definition of NI179 is:

**The total net value of ongoing cash-releasing value for money gains that have impacted since the start of the 2008/09 Financial Year**

3.2 The key elements of the value for money indicator are its focus on:

- Net gains – efficiencies should be reported net of investment and ongoing costs required for their implementation;
- Ongoing gains – if an efficiency is not sustained in full or in part, then the value of the indicator must be reduced accordingly;
- Cash-releasing gains – only those efficiencies that reduce the level of resource required to achieve the same or better outputs, allowing resources to be redeployed, should be recorded; and
- Gains since the start of 2008/09 – valid gains may be the result of actions taken before April 2008, but only where they impact on a council's expenditure for the first time after 31 March 2008.

3.3 As in SR04, a value for money gain will be valued by comparing performance with that in the previous (or baseline) year, in particular how much resource has been freed up while maintaining the overall effectiveness of service delivery. This principle, and others determining what can be counted as an eligible gain and their evaluation, will continue to be set out in the measurement guidance issued by Government.

3.4 Councils will be required to submit a figure for the value for money indicator twice in each calendar year. On the first occasion, starting from October 2008, councils will report their *forecast* for the position at the end of the financial year. This is akin to the output of the Forward Look AES. On the second occasion, starting from July 2009, councils will report the actual position as at the end of the financial year that ended on the previous 31st March. This is akin to the output of the Backward Look AES.

3.5 To recognise the success of councils in making gains to date, the value of any cash-releasing efficiencies reported by councils in the SR04 period that are over and above 7.5% of their 2004/05 baseline expenditure will be counted towards the CSR07 target insofar as they remain ongoing. Councils should include the appropriate value as part of the reported level of their value for money indicator. For Exeter, the value of the cashable gains brought forward from CSR04 is £680,087.

#### 4. NI179 DEADLINES

- 4.1 As with other national indicators, NI179 will be reported electronically to the Government through a mechanism known as the Data Interchange Hub. Data on NI179 must be submitted by the following dates:

<b>Date</b>	<b>NI179 Coverage</b>
24 October 2008	2008/09 Forecast cumulative gains
24 July 2009	2008/09 Actual cumulative gains
23 October 2009	2009/10 Forecast cumulative gains
23 July 2010	2009/10 Actual cumulative gains
22 October 2010	2010/11 Forecast cumulative gains
22 July 2011	2010/11 Actual cumulative gains

- 4.2 Work is continuing up to the submission date of 24th July to try to identify and maximise efficiencies achieved during 2008/09. A draft schedule showing the likely identified cash savings is attached in Appendix 1.

#### 5. RECOMMENDATION

It is recommended that:

- 5.1 The contents of this report are noted and the identified savings in the draft 2008/09 schedule are included as part of the Council's overall submission for National indicator 179.

HEAD OF TREASURY SERVICES

CORPORATE SERVICES DIRECTORATE

**Local Government (Access to Information) Act 1985 (as amended)**  
**Background papers used in compiling this report:**

None

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	£
<b>Corporate Services</b>	
Council Tax - Reduced Costs of Collection	48,200
Council Tax - Increase of in-year collection from 97.3% to 97.4%	3,300
Council Tax - Increased Provision for Bad Debts	(45,000)
Housing Benefits - Reduced Cost of Administering Housing Benefits	139,800
IT Services - Reduction in Cost of IT Provision	199,500
Telephones - Reduction in Cost	10,100
<b>Community and Environment</b>	
Administration - Reduced Cost of Administration Function	93,200
More Efficient Recycling	52,300
<b>Economy and Development</b>	
Administration - Reduced Cost of Administration Function	67,600
Estates Services - Reduced Cost	70,500
<b>Other</b>	
Value for Money Gains Brought Forward from Previous Years	680,100

<b>TOTAL IDENTIFIED VALUE FOR MONEY GAINS 2008/09</b>	<b>£1,319,600</b>
Baseline Expenditure 2007/08	£38,237,667
Value for Money Gains - % of 2007/08 baseline expenditure	3.5%
Value for Money Gains per Band D dwelling	£35

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## EXETER CITY COUNCIL

### SCRUTINY COMMITTEE - RESOURCES 17 JUNE 2009

EXECUTIVE  
29 JUNE 2009

#### REVIEW OF EQUALITIES

#### 1 PURPOSE OF REPORT

- 1.1 To update the committee on achievements made so far and advise of future action over the coming year.

#### 2 BACKGROUND

- 2.1 In 2007 the Council published a three-year Comprehensive Equality Scheme in line with legislative requirements, setting out measurable outcomes for our service users, staff and councillors.
- 2.2 Since then although annual updates on key achievements have been published as an appendix to the Corporate Plan, there has been no formal update on progress against the five outcomes of the Scheme to this committee.
- 2.3 By April 2010 a revised Scheme will have to be published so now seems to be an appropriate time to reflect on outputs and outcomes achieved so far and highlight future work that may be undertaken.

#### 3. ACHIEVEMENTS

- 3.1 The following is a list of our key achievements against each of the five outcomes of the Comprehensive Equality Scheme. This builds on the list which appeared as an Appendix to the Corporate Plan.

- (i) **Service users from traditionally hard to hear groups have access to information about, and are able to put forward their views on Council services, policies and procedures (consultation, communication, service development, access to councillors).**

Consultation was carried out on our behalf by Living Options Devon with disabled members of staff to share their experiences and make recommendations for improvements to the working environment. An action plan has been produced and while some items are best fed into the development of the overall Workforce Strategy, immediate tasks that have been undertaken include a refresh of the Human Resource User Groups and ensuring that equality and access issues are a standing agenda item. The Groups have representatives from all services and feed into the Employee Liaison Forum which is attended by Councillors, Senior Management, Head of HR and Unison/Staff representatives.

A community Engagement Database has been developed providing community contacts in place and making it easier for officers to contact the right organisation.

This also helps the Council to have an overview of the different groups that are working with or representing communities in the City.

- (ii) **All service users feel confident that the Council is committed to equality and diversity and is making real progress towards delivering actions (scrutiny, audit, committees, evaluation, reporting).**

Equality Impact Assessments were carried out on Bereavement Services, Parking Enforcement Services, the Homelessness strategy, the Positive Steps Fund and the Benefits NVQ Assessment Centre. Issues identified will feed into the development of these areas of work ensuring that, wherever possible, the needs of different groups of people are met and potential for discrimination removed. For example Bereavement Services are developing a way of maintain stock graves so that Muslim burials can be catered for at short notice.

Building Control has continued its programme of auditing the accessibility of Council buildings to ensure the needs of disabled people are being met. The target of 20 accessible buildings by March 2009 has been achieved. An Exeter Access Guide has been published which shows the facilities available at different venues throughout the City Centre. The guide will be published on the website but hard copies will also be distributed through Living Options Devon and Exeter Visitor Information.

Improvements have been made to the Isca Bowls Centre to make it more accessible for people with mobility problems including designated disabled parking bays and automatic external and internal doors.

The Markets & Halls Team in Estates Services has worked with staff to undertake an initial equalities review of facilities and services at the Matford Centre and Corn Exchange. This will ensure that they are responsive to the needs of all service users. Further actions which have been included in the work programme for 2009/10 include a survey of customers.

Diversity awareness training has been delivered to all 451 Exeter taxi drivers and is a pre-requisite for any applicant for a taxi licence. Retraining will be carried out every five years and the effectiveness of the training is monitored by mystery shoppers from Living Options Devon.

- (iii) **The Council knows who its customers are and is able to respond to their needs (monitoring, assessment, delivery).**

Work continues to embed equalities at each level of performance management. The Exeter Vision has been reviewed in consultation with the Vision Reference Groups and wider interest groups and equalities outcomes are now embedded in the Service Improvement Portfolios. The Vision will ensure a whole-city view of equalities so that the LSP can work more effectively with partner agencies to tackle the issues.

All new housing tenant details are collected at sign up so that now 65% of all tenant data has been collected and work can begin to ensure needs are met. For example a follow up survey is being undertaken of all those who indicated that they have a disability.

All the parks now have clearer signage and improvements have been made to paths to make them more accessible. In particular work has been carried out in Bury Meadow to reduce risks from anti-social behaviour that might deter young women, their children

and older people from enjoying the park. This work involved removal of shrubs, pruning of shrubs and redesigning of beds to provide clear lines of sight by opening up the vistas. All work was carried out following detailed consultation with local residents and the police. The residents have positively welcomed the changes.

- (iv) **Relations between different communities are good, tensions are challenged and the diversity of the City is promoted and celebrated (cohesion, leadership, challenge).**

The Chief Executive has been working closely with the Police and local communities following the Princesshay incident to ensure that any necessary support is provided. This is feeding into a wider review of how the Council engages with the community.

The Lord Mayor continues to attend and organise a diverse range of civic events including National Holocaust Memorial Day, a Violence Against Women Campaign in Bedford Square, opening of a Polish Saturday School at Montgomery Primary School and a thank you reception for carers held at the Guildhall. The Lord Mayor also supports and promotes a charity every year. In 2008/09 this was Southbrook College which specialises in education for young people with learning difficulties. For 2009/10 the charity chosen is Dream-A-Way which provides holidays and outings for disabled people.

RAMM's Small World display was shown at four schools and colleges in the City. The display of textiles and adornments from around the world was accompanied by talks and workshops encouraged to stimulate debate about issues of identity to encourage the celebration of diversity.

- (v) **All service users feel confident that the Council is committed to equality and diversity and is making real progress towards delivering actions (scrutiny, audit, committees, evaluation, reporting).**

In partnership with the Trade Unions, Human Resources commissioned an independent Equal Pay Audit. No significant issues were found but an action plan is being developed to pick up any minor points. This will be reviewed annually.

As indicated at 3.1 (i) Human Resources worked with Living Options Devon on a consultation with disabled staff to look at potential barriers to recruitment and retention. This also resulted in a review and update of relevant sections of the Employment Handbook.

## **4 FUTURE WORK**

### **Equality Framework for Local Government**

- 4.1 In 2005 following a self-assessment carried out by Internal Audit, the Council declared at Level 2 of the Equality Standard for Local Government. The intention was then to work towards another assessment at Level 3. However in the meantime the IDeA has replaced the Standard with a new Equality Framework. The equivalent of Level 3 status for the new framework is 'Achieving'<sup>1</sup>.

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<sup>1</sup> There are three levels for the Equality Framework for Local Government: Developing, Achieving and Excellent.

- 4.2 The Equality Framework and its predecessor is no longer measured by a performance indicator; however, it can be used to provide evidence for the Comprehensive Area Assessment and may be a useful tool in itself to help the Council analyse its work to meet equality outcomes.
- 4.3 A Regional Improvement and Efficiency Partnership consultant has been invited to attend the Corporate Equalities Officer Group in July to update on the procedure for moving forward for assessment against the new Equality Framework. RIEP has a key objective and associated funding to support all local authorities in the South West to meet the Achieving level of the Framework.

#### **Comprehensive Area Assessment**

- 4.4 Equality and diversity is an underpinning theme throughout the Comprehensive Area Assessment.
- 4.5 The initial draft report from the Use of Resources Assessment is due in the summer and feedback from the Area Assessment is due in the autumn. Both of these will provide indicators of where we need to improve.

#### **Comprehensive Equality Scheme**

- 4.6 The current scheme only runs until April 2010 so planning for the development of the new scheme has started.
- 4.7 The Scheme will need to take into account developments in legislation and the inspection regime and as with any major strategy it will need to be developed with the involvement of a diverse range of communities to ensure that it reflects their needs.
- 4.8 During the development of the current scheme a partnership was set up with the County Council, other District Councils and the Police to consult disabled services users. It is unlikely that any such partnership will be convened this time however the Council will try to link into any other consultation and engagement work being carried out wherever possible to ensure good value for money and the widest possible spectrum of views.

### **5 LEGISLATION**

- 5.1 The Equality Bill was published in April 2009 and if successful the majority of clauses are expected to come into force autumn 2010. Some of the key proposals from the Equality Bill are noted below:
- Introduction of new generic equality duty on public bodies bringing together existing public duties on race, disability and gender and extended to age, sexual orientation and religion or belief.
  - Introduction of a new public sector duty to consider reducing socio-economic inequalities.
  - Powers to outlaw unjustifiable age discrimination in the provision of goods, facilities and services.
  - Protection from discrimination for people associated with someone who is protected themselves, for example as the carer of a disabled person.
  - Public bodies to increase transparency by reporting on aspects of employment policy such as gender pay gaps, ethnic minority employment and disability employment.

- Banning secrecy clauses which prevent people discussing their pay
- Requiring public bodies to tackle discrimination and promote equality through their purchasing functions.
- Extending positive action so that employers can take into account, when selecting between two equally qualified candidates, under-representation of disadvantaged groups.
- Encourage more women into public life by extending use of women-only short list to 2030.
- Allow tribunals to make wider recommendations in discrimination cases going beyond benefiting the individual so that there are benefits for the rest of the workforce.
- Explore further how to allow discrimination claims on multiple grounds.

## **6. RESOURCE IMPLICATIONS**

- 6.1 Costs related to the consultation on new Comprehensive Equality Scheme will be met within existing budgets.

## **7 RECOMMENDED**

- (1) That Scrutiny Committee – Resources supports the future actions put forward in this report and recommends its approval to the Executive.

DIRECTOR CORPORATE SERVICES

CORPORATE SERVICES DIRECTORATE

Local Government (Access to Information) Act 1972 (as amended)  
Background papers used in compiling this report:-

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## EXETER CITY COUNCIL

### SCRUTINY COMMITTEE - RESOURCES 17 JUNE 2009

EXECUTIVE  
29 JUNE 2009

#### LEISURE FACILITIES MANAGEMENT – A NEW CONTRACT

#### 1. PURPOSE OF REPORT

- 1.1 To inform Members of the key elements of the new contract due to be let in 2010 for the management of the Council's contracted sports and leisure facilities.

#### 2. BACKGROUND

- 2.1 On 28 September 2010 the current contract let by the Council to DC Leisure Management Ltd (DCL) expires. On the same day, management of the Riverside Leisure Centre will revert to the Council. Officers have therefore been working on the contents of a new single contract incorporating all of the facilities currently managed by commercial leisure management contractors.
- 2.2 The nature of the contract has been the subject of reports to Community Scrutiny and Executive to approve the general policy, but as the letting of this contract involves committing large sums of money over a number of years. The current contract with DCL for example costs the Council over £ 600,000. It is also appropriate to bring the issue before this committee to look at economic factors, such as length of contract, obligations on both parties to repair and maintain, utilities agreements and so on.

#### 3. OPTIONS FOR LEISURE FACILITIES' OPERATION

- 3.1 There are 3 main types of operation for leisure facilities:

##### **In-house**

- 3.2 For many years the Council's facilities were managed by its own directly employed workforce. However, there has been no recent support for bringing the service back in-house, which would involve transferring approximately 300 staff to the Council under TUPE (Transfer of Undertakings (Protection of Employment) Regulations 2006). The Council's current expertise in leisure facilities operation is limited; there is a developed market for this type of contract and we feel that suitable quality can be obtained from a private contractor or trust.

##### **Leisure management contractor**

- 3.3 After many years of in-house management, a compulsory competitive tendering process resulted in a contract for 6 facilities being awarded to DCL from 1997. The Council pays DCL a substantial management fee for operating the facilities. However, the Council did make savings, and it is generally considered by leisure officers since that time that the service improved under the external contracting arrangements. There have been no major problems, and overall DCL has been flexible and accommodating. The risks have been shared between the Council and

DCL, and the cost of the service has become better known and so it has been easier to budget for the service effectively.

- 3.4 Riverside Leisure Centre is leased by the Council to Sainsbury's who employ Parkwood Leisure under a contract to manage the premises. Riverside accounts for approaching half of all visits to all of the Council's contracted facilities, and it is understood that Parkwood pays a significant sum to Sainsbury's for managing the site.

### **Trust**

- 3.5 An option would be to have Exeter's facilities managed by a trust. This has advantages in that a trust can exploit a loophole in the law that enables 80% relief on the National Non-Domestic Rates (NNDR) and trusts also can benefit from VAT reductions. If the trust is a registered charity, further savings can be made.
- 3.6 However, a disadvantage with most trusts is that they tend to have few if any assets, and if they get into financial difficulty the only place to turn to is to the client, who then has to pick up the pieces. A trust would also be independent of the Council and so the Council would lose some control. This could be mitigated by having an exhaustive agreement with the trust, but the trust would have its own board of trustees and it may not be as straightforward to enforce compliance as with a commercial contractor.
- 3.7 The Council could establish its own trust to manage the leisure facilities, but the establishment and running of such a trust can be a very expensive process and it is not considered appropriate to establish a new trust to manage the facilities. An alternative could be for the Council to employ an existing private leisure trust – a trust established by a local authority specifically to manage its own leisure facilities, and which then extends its activities to manage others' facilities. A third option is a 'commercial' leisure trust, where a leisure management contractor is able to call upon its own hybrid trust model that can enjoy many of the financial benefits of trust status (such as the 80% NNDR relief).
- 3.8 Bearing in mind the information above, we do not recommend mounting an in-house bid for this contract. We also recommend discounting the formation of a new trust for the reasons set out. At this stage we do not feel that we should prohibit an existing trust from tendering alongside traditional contractors or that we should rule out a hybrid trust.
- 3.9 It is therefore proposed that the Council will, in accordance with European legislation, invite expressions of interest from organisations capable of providing this service, and will then evaluate which companies or trusts are most suitable to undertake the work. It is expected that about 4-5 organisations will then be invited to tender for the contract.

## **4. CURRENT TRENDS IN LEISURE CONTRACTING**

- 4.1 Two forums have been held with prospective leisure facility management operators following the issue of a Prior Information Notice (PIN) in the Official Journal of the European Union (the 'European Journal'). This enabled the Council to discuss options for the contract and obtain feedback from leisure specialists on current trends in the industry.

- 4.2 The Council has engaged consultants Torkildsen Barclay to advise on the production of leisure contract documentation and procurement that reflects current practice in the sector. Although most of the overall contract arrangements have not changed significantly, document wording has been refined over the years to make it clearer and fairer to both parties. The more significant changes are dealt with later in this report.
- 4.3 As in the current contract, the contractor will keep all income received from users of the facilities, so encouraging the contractor to provide a good service to get people through the doors to maximise income. Tenders will be evaluated on both the quality of service that will be provided along with a contract sum – a figure, payable either to or by the Council, that is the difference between the cost to the contractor of managing the service less the income that the contractor expects to receive.

### **Major contractors**

- 4.4 It is thought that there are relatively few contractors capable of delivering the services that the Council will require. Five potential operators attended the last PIN Forum, held in July 2008. Four of these were leisure management contractors and one was a private trust with charitable status.

## **5. THE SCOPE OF THE EXETER CONTRACT**

### **Sites**

- 5.1 It would be possible to include the Isca Centre (indoor bowls and bridge), but the current arrangement of a separate lease to Isca Centre Ltd (which comprises club members) is working well and the premises retain a good club atmosphere. The Council receives income from Isca Centre Ltd.
- 5.2 A new lease has recently been agreed for the management of Clifton Hill Golf Driving Range, including the provision of a number of improvements to be funded and implemented by the lessee.
- 5.3 It has not been possible to engage effectively with Carillion, the company operating Exeter's schools' leisure facilities, so these cannot be included in the contract at this stage. It is possible that they might be added sometime during the contract period.
- 5.4 Although it would be possible to split the remaining facilities into two or more contracts, it is considered that a single contract will provide the greatest benefits. The facilities included in the contract are therefore as follows:
- Clifton Hill Sports Centre  
Exeter Arena  
Northbrook Approach Golf Course  
Northbrook Swimming Pool  
Pyramids Swimming & Leisure Centre  
Riverside Leisure Centre  
Wonford Sports Centre
- 5.5 It is now too late to factor into the contract the procurement of a new swimming pool. This in fact greatly simplifies the contract procurement process, and the contract will include effective change management clauses that will allow major facilities to be removed from and/or introduced to the contract.

## Key risk factors

- 5.6 **Energy** – the cost of energy has soared since DCL started under the 1997 contract, and previously all of the risk was on the contractor. This is unsustainable, and in order that future possible energy price increases are not built into the tender price the new contract will make the contractor responsible for energy consumption and the Council responsible for energy price changes.
- 5.7 **Maintenance** – many of the Council's facilities are now becoming rather old and they are in need of substantial maintenance, both day to day and in terms of refurbishments and replacements. It is important to get the balance of responsibility right, and the Council has recently invested in an extensive condition survey. This will allow both the Council and tenderers to be better aware of the condition of the premises' structural elements and key items of plant, and it will assist in identifying who is responsible for each item. The survey will also help identify any shortcomings to be remedied by the outgoing contractors before the end of their contracts. The Council also has maintenance responsibilities and capital bids have been submitted for funding for essential works needed in preparation for the new contract.
- 5.8 **Closure due to plant etc failure** – with aging facilities there is a risk that a major item of plant could fail, leading to closure of a facility. It should be noted that the Council will also be committed to replacing items for which it is responsible as and when necessary. As far as possible this will of course happen before a failure occurs.
- 5.9 **Closure due to changes at the facilities** – if a new pool were to be built at an existing site, or there were to be a major refurbishment of a site during the term of the contract, the facility/ies involved may need to close. The contract will allow for quite major changes to occur without frustrating the contract, but the contractor will be entitled to appropriate compensation for loss of income and any increased costs.
- 5.10 **Limited funding to improve the facilities** – the contractors will be aware of the condition of the facilities, and will factor in that the premises will be older towards the end of the contract. At present it seems unlikely that there will be major funding made available by the Council for refurbishment of facilities in the foreseeable future.
- 5.11 **Staff** – over recent years new employment legislation, especially relating to the use of casual staff, has created substantial costs for leisure management operators. However, the new contract will continue to place the risk on the contractor.
- 5.12 **NNDR** – if the successful tenderer is a trust receiving NNDR relief, it is possible that the government may decide to close the loophole in the NNDR legislation and remove the relief. This could be worth in the region of £200,000pa and this will be the Council's risk.
- 5.13 **Customers leaving** – should the use of leisure facilities decline significantly (for example due to a change in society's culture, dissatisfaction with the facilities, or people not having expendable cash etc), and this leads to a shortfall of income, the risk would remain with the contractor. The contractor would need to work to retain and bring back customers, and it would be in the Council's interest to work with the contractor to improve the situation.
- 5.14 **Staff transfer issues** - Staff transfers in the public sector are governed not only by the rules of TUPE, but also by the guidance from central government, notably the following:

- The Cabinet Office's 'Statement of Practice on Staff Transfers in the Public Sector' with its annex, the 'Treasury statement A Fair Deal for Pensions'. This states that TUPE will apply, and sets out the framework to be followed. The annex describes the pension protection for public sector employees in the event of a TUPE transfer.
- The 'Code Of Practice On Workforce Matters In Public Sector Service Contracts (February 2003)'. Both this Code and the 2005 Code (below) protect "new joiners" to the contract, ensuring that a "two-tier" workforce does not exist and the provision of a "reasonable" pension.
- The 'Local Government Act 2003' ss. 101 and 102, which effectively enshrine the Code into law and ensure that there are suitable pension arrangements for staff transferred from a local authority to a contractor.
- The 'Code Of Practice On Workforce Matters In Public Sector Service Contracts (March 2005)'. This guidance runs alongside TUPE. A tender from a contractor will not normally be acceptable unless it is clear that the contractor will comply with the relevant codes of practice

5.16 There is a risk that some contractors will be deterred from tendering by the need to comply with this.

5.17 **Lack of tenders** – There are relatively few established operators in the industry, and it is possible that some of those from whom we anticipate interest may not wish to bid. Following evaluation of the pre-tender submissions, other operators may not be deemed by the Council to be suitable to be invited to tender, so there is a risk that there may be only three or fewer tenders and therefore less chance of achieving the best overall value.

#### **Contract terms – unchanged**

5.18 Most of the fundamental principles remain unchanged between the old and the new best possible balance between service provision for Exeter's residents and visitors, and keeping costs as low as possible.

5.19 Although the contractor will organise the programme of use of the facilities, there will be protection for existing clubs using the facilities.

5.20 Under the current arrangements the maintenance costs are shared and this will continue. The energy costs have been shared since 2007 when the DCL contract was extended to 2010, and this will continue in the new contract.

#### **Contract terms – changed**

5.21 Particular changes worth mentioning include the following:

- All 7 sites will be under a single contract, so improving harmonisation of activities through a single operator who will be able to offer a more complementary programme. There will also be a single membership scheme to all of the Council's facilities.
- 10 year contract with an extension (by mutual agreement) of up to 5 years.

- The Council will continue to exercise control over the price to be charged by the contractor for fewer, core activities such as swimming and relinquish control over some for which it currently sets charges, for example, trampolining.
- The Council will assume responsibility for grounds maintenance at all sites except Exeter Arena. This is a relatively minor change, but there will be a need for an increase of £600 in the Parks & Open Spaces maintenance budget.
- The current LeisureCard will cease and tenderers will be asked to provide proposals for a new scheme.
- The (concessionary) XCard will continue and will be improved through extended weekend opportunities.
- There will be a requirement for better management reporting information to be provided by the contractor to the Council.
- Tenderers will be invited to submit proposals for capital improvements to develop the facilities during the term of the contract.
- The current limit on maintenance expenditure (agreed with DCL as part of the contract extension arrangements) will be removed.
- The contractual minimum opening times will be increased slightly to mirror the current actual opening times.
- The contractor will be required to achieve at least the minimum level of the Council's Green Accord environmental policy.

## **6. PROCESS FOR APPOINTING THE CONTRACTOR**

### **Prior Information Notice Forum**

- 6.1 Two PIN Forums have been held. The second had to be arranged due to a significant change in the Council's position, as in the first forum it had been intended to include the procurement of a new or refurbished swimming pool within the leisure management contract.
- 6.2 These discussions enabled the Council to develop the contract documentation in a way that will be acceptable to the leisure operators whilst protecting the Council's interests.
- 6.3 Operators are therefore already aware that a new contract is in the pipeline, and it will be perfectly acceptable for the Council to invite individual companies to apply to be included on the list of tenderers.

### **Formal invitation for expression of interest**

- 6.4 An advertisement is scheduled to be published in June 2009 in the European Journal. Organisations contacting the Council will be sent a pre-qualification questionnaire and sufficient information on the nature and type of contract to enable them to establish whether they wish to express formal interest in the contract.
- 6.5 Applicants will need to provide information to the Council on a range of financial, organisational and technical issues, along with references etc. The responses will be assessed in order to identify those most suitable to be invited to tender.
- 6.6 Evaluation of tenders will be on a points system, the criteria for which must be published within the tender documentation. The most important factor is the split between the points awarded for the financial aspects of the bid, against those awarded for quality issues.

6.7 It is anticipated that tenders will be invited in October, to be returned to the Council by February 2010. A preferred bidder will be appointed in May, and following any clarifications the contract and leases are due to be finalised in June. This will provide 3-4 months' lead in period.

**7. RECOMMENDED that**

- 1) Members support the key contract features identified in this report and
- 2) Delegate approval of the detail of the contract documentation to the Director, Community and Environment in consultation with the Leader of the Council and the Portfolio holder for Environment and Leisure and appropriate Council officers.

**HEAD OF LEISURE & MUSEUMS**

S:PA/LP/ Committee/609SCR2 v2  
15.5.09

**COMMUNITY & ENVIRONMENT DIRECTORATE**

**Local Government (Access to Information) Act 1985 (as amended)  
Background papers used in compiling this report:**

Should Members want more background information, work was done in 2004 to identify the issues and evaluate the various options available to the Council, and a number of briefing papers were made available on the Members' site on the Intranet. They are still available for Members' information, and much of the material is still valid, although the financial figures have not been updated. Go to <http://intranet/index.aspx?articleid=527>.

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## EXETER CITY COUNCIL

EXECUTIVE  
29 JUNE 2009

### DRAFT SUPPLEMENTARY PLANNING DOCUMENT PLANNING OBLIGATIONS

#### 1. PURPOSE OF REPORT

- 1.1 The purpose of this report is to seek support for the appended draft Planning Obligations Supplementary Planning Document (SPD) to be reported to Executive for approval for public consultation.
- 1.2 The SPD offers guidance on the planning obligations that may be required to satisfy planning policies and ensure that development results in sustainable outcomes.

#### 2. BACKGROUND

- 2.1 In the form of a section 106 legal agreement, planning obligations are secured to ensure that developers mitigate the impacts of development and provide for the infrastructural requirements arising from it in a sustainable manner.
- 2.2 Office of the Deputy Prime Minister Circular 05/2005 advocates that planning authorities introduce their own SPDs on planning obligations. In view of this guidance and an evident need to clarify and regularise the process by which planning obligations are secured the draft SPD has been prepared.
- 2.3 It is intended that the guidance contained in the SPD will increase the efficiency with which section 106 agreements are negotiated. In doing so, it will help to avoid instances of planning applications being determined later than their 8 or 13 week statutory deadlines for reasons associated with agreeing planning obligations.
- 2.4 The SPD has also been drafted to enable the authority to fund the design and tendering costs for providing infrastructure which is delivered by the City or County Councils.

#### 3. PROPOSED CONSULTATION

- 3.1 The consultation period will be 6 weeks. The results of the consultation and the proposed response will be reported to Planning Member Working Group and Executive with a view to adoption later in the year.
- 3.2 The consultation will be publicised through the web site, press releases and letters to agents, interested organisations and other parties that have already expressed interest in response to advanced publicity.

#### 4. PLANNING MEMBER WORKING GROUP COMMENTS

- 4.1 Planning Member Working Group discussed the draft document and supported its submission to Executive.

**5. RECOMMENDATION**

5.1 It is recommended that Executive approve this document.

**RICHARD SHORT  
HEAD OF PLANNING AND BUILDING CONTROL**

**ECONOMY AND DEVELOPMENT DIRECTORATE**



Exeter City Council

# Supplementary Planning Document

# Planning Obligations



**June 2009** **Draft for consultation**

## Summary of Planning Obligations Sought

This summary table below applies to development proposal where planning obligations are necessary to accommodate their impact. **Its contents, including financial figures, will be subject to review in line with policy changes and inflation.**

<b>Obligations to <a href="#">Exeter City Council</a></b>		<b>When Due</b>
Affordable Housing	<b>25% on-site housing</b> (as a proportion of the total number of units built) to be affordable on sites of more than 0.5ha or capable of accommodating 15 or more units. A minimum of <b>85% social rented</b> and a maximum of <b>15% intermediate housing</b> . Please see the <a href="#">Draft Affordable Housing Supplementary Planning Document</a> .	In phase with the delivery of market dwellings.
Car Clubs	On-site provision or <b>£450 per dwelling</b> . See <a href="#">Car Club Supplementary Planning Guidance</a> for information.	Prior to first occupation
Community Facilities	Requirements for a contribution towards the provision of community facilities including community halls and related services are determined on a case-by-case basis.	Before development commences
Environmental Enhancements	Environmental enhancement contributions are negotiated on a case-by-case basis. They may be required for works to accommodate footfall growth in a particular area or to improve local shopping centres when large-scale retail applications are involved.	Before development commences
Parks, Leisure and Open Spaces	The provision of sports pitches, open spaces and play facilities is often sought by Section 106 agreement in accordance with Exeter City Council's <a href="#">Public Open Space Supplementary Planning Document</a> .	In-kind: In phase with development Financial: Before commencement
Public Art	Public art provision contributions are most frequently sought when new development occurs in the form of major schemes that occupy prominent locations.	Before development commences
Site Specific	Where they are necessary, planning obligations will be negotiated on the basis of the individual circumstances of a development site. They may be sought to address issues including flooding, contamination, loss or damage created by a development or, the development's use.	Depends on the nature of the obligation.
Student Accommodation	To ensure occupation of student accommodation by students, provide for continued site management and to prohibit residents of the development (other than the Disabled Badge Holders) keeping vehicles on site	Ongoing
<b>Obligations to <a href="#">Devon County Council</a></b>		
Education	Sought where there will be a shortfall in provision. Primary - <b>£2,768.75 per dwelling</b> > 1 bed Secondary - <b>£2518.65 per dwelling</b> > 1 bed If a new school is required, Devon County Council uses a different method of calculation.	Before development commences
Highways	Traffic orders - around <b>£1,500</b> Highway requirements are determined on a case-by-case basis. Obligations include highway and junction improvements, and pedestrian crossings.	Before development commences
Public Transport	Transport obligations are negotiated and based on transport assessment and circumstance. They are often agreed for the provision of bus stops, real-time bus information and transport services.	Before development commences

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# **1 Background**

## **1.1 Purpose of this Supplementary Planning Document**

- 1.1.1 Development often creates the need for additional infrastructure, services and facilities. If these are not provided, there could be negative implications for local amenity and the environment. Planning obligations provide the mechanism through which the social impact of development is accommodated. In the form of a legal agreement, planning obligations are secured to ensure that developers mitigate the impacts of, and provide for the infrastructural requirements arising from development in a sustainable way.
- 1.1.2 This document offers guidance to applicants for planning permission, developers, and others on the planning obligations that may be required to satisfy planning policies and ensure that development results in sustainable outcomes. It also forms a material consideration in the determination of planning applications and achieving a consistent approach to mitigating the impact of development.
- 1.1.3 A **Glossary of Terms** that offers a brief description of some of the words and acronyms that appear hereafter is available towards the end of this document.

## **1.2 Local Development Framework**

- 1.2.1 The Council is preparing a Local Development Framework (LDF). Divided into Development Plan Documents (DPDs) whose policies will be amplified by Supplementary Planning Documents (SPDs), the LDF will provide the policy basis to inform all local planning decisions.
- 1.2.2 In the interim, and in accordance with Office of the Deputy Prime Minister Circular 05/2005 on Planning Obligations<sup>1</sup>, this SPD amplifies the Circular and describes the Council's approach in securing planning obligations as outlined in the 'saved' policies of the Exeter Local Plan First Review 1995-2011<sup>2</sup>. It may be that this SPD will need to be adapted to reflect policies relating to planning obligations once Exeter City Council's Core Strategy (a DPD forming part of the emerging LDF) has been adopted.

## **1.3 Status of this Document**

- 1.3.1 Supplementary Planning Documents (SPDs), which are replacing Supplementary Planning Guidance (SPG), amplify and provide a detailed explanation of existing planning policies. They are material considerations that are given substantial weight when planning decisions are made.

## **1.4 Community Infrastructure Levy**

- 1.4.1 The Planning Act 2008<sup>3</sup> made provision for the imposition of a Community Infrastructure Levy (CIL) to ensure that the costs incurred in providing infrastructure to support the development of an area can be funded by owners or developers of land. A CIL will not replace the need for all planning obligations but, if it is introduced by the City Council, will probably limit their scope and require amendments to this SPD.

## **2 National Legislative and Policy Context**

### **2.1 Town and Country Planning Act 1990**

2.1.1 In accordance with Section 106 of the Town and Country Planning Act 1990<sup>4</sup> (as amended by Section 12(1) of the Planning and Compensation Act 1991<sup>5</sup>), planning obligations may:

- (a) restrict the development or use of the land in any specified way;**
- (b) require specified operations or activities to be carried out in, on, under or over the land;**
- (c) require the land to be used in any specified way; or**
- (d) require a sum or sums to be paid to the authority on a specified date or dates or periodically.**

2.1.2 Planning obligations are usually entered into in the context of planning applications to ensure that developers address the additional community and infrastructure needs and mitigate the social, environmental and economic impacts of new development. Unless it is agreed otherwise, planning obligations run with the land in perpetuity and may be enforced against the original covenantor and anyone else that acquires an interest in the land until such time as they are discharged or otherwise modified. Planning obligations can be secured by:

- (a) Section 106 Agreements** between local planning authorities, persons with a legal interest in a piece of land and any other interested parties.
- (b) Unilateral undertakings** signed solely by parties with a legal interest in the land. These are appropriate when only the developer (and not the Council) needs to be bound by the agreement.

### **2.2 ODPM Circular 05/2005**

2.2.1 Office of the Deputy Prime Minister Circular 05/2005<sup>1</sup> offers guidance on the use of planning obligations. It states that while they will not be applicable to all development, they should be used whenever appropriate so long as they meet all of the following tests. A planning obligation must be:

- (a) relevant to planning;**
- (b) necessary to make the proposed development acceptable in planning terms;**
- (c) directly related to the proposed development;**
- (d) fairly and reasonably related in scale and kind to the proposed development; and**
- (e) reasonable in all other respects.**

### **2.3 Planning Obligations Practice Guidance**

2.3.1 Circular 2005/05<sup>1</sup> has been supplemented by a Planning Obligations Practice Guidance<sup>6</sup>. Published in July 2006 this deals with issues including types of planning obligation, standard charges and formulae, standard agreements and undertakings and the implementation process.

### **2.4 Planning Policy Statement 1**

2.4.1 The fundamental principles of the planning system are to achieve sustainable development through community-led spatial plans. These objectives are expressed through Planning Policy Statements (PPS), which are replacing Planning Policy Guidance Notes (PPG). Planning Policy Statement 1<sup>7</sup> (PPS1) highlights the need to practise positive and proactive planning to achieve objectives of sustainable development. It also recognises the need to ensure that infrastructure and services are provided to accommodate the impact of new development.

### **3. Local Policy Context**

#### **3.1 Regional and County Guidance**

- 3.1.1 Regional Planning Guidance 10<sup>8</sup> sets the context for providing infrastructure and services to support new development. The Devon Structure Plan 2001-2016<sup>9</sup> and the Regional Spatial Strategy<sup>10</sup> (that, when adopted, will replace both of the above) each stipulate that development should only occur where the infrastructure required to service it is already in place or can be provided in a sustainable manner before or at the same time as development occurs.

#### **3.2 Exeter Local Plan**

- 3.2.1 The Exeter Local Plan First Review 1995-2011<sup>2</sup> (that will be replaced by Exeter's Local Development Framework when it is adopted) explains that development will be expected to provide the physical and social infrastructure needed to service it and to mitigate for its environmental impact. The Local Plan acknowledges the role of planning obligations in delivering sustainable development. It contains specific policies that are amplified by SPGs/SPDs where necessary and offers guidance during the negotiation of Section 106 Agreements.

#### **3.3 Affordable Housing SPD (draft)<sup>11</sup>**

- 3.3.1 Local Plan policy H6 states that planning obligations for the provision of 25% affordable housing on-site, as a proportion of the total number of units built, will be sought in conjunction with planning applications for housing on sites capable of accommodating 15 or more dwellings or on sites of 0.5ha or more. During the preparation of the LDF Core Strategy, this requirement will be reviewed. Within this overall context, the draft SPD offers more detail and explains that 85% of the affordable housing provided should be social rented and a maximum of 15% should be intermediate housing.

#### **3.4 Open Space SPD<sup>12</sup>**

- 3.4.1 In accordance with Local Plan policies L4 and DG5, development that creates additional demand for open space and leisure facilities should either accommodate that demand on-site, or make contributions towards the provision and maintenance of nearby facilities. Similarly, where development would lead to the loss of open space or leisure facilities, the provision of assets at suitable alternative locations will be sought.

#### **3.5 Car Clubs SPG<sup>13</sup>**

- 3.5.1 Developers may be expected to create or support car clubs as part of the promotion of sustainable transport proposals for a development.

#### **3.6 Trees in Relation to Development SPD (draft)<sup>14</sup>**

- 3.6.1 Where planting or landscaping schemes form part of a development, planning obligations may be secured to ensure that a nominated officer from the Council and a representative of the developer visit an agreed plant nursery and select trees as the scheme is implanted.

## **4. Development Management**

4.0.1 In dealing with planning applications, Exeter City Council as the Local Planning Authority (LPA) considers each on its merits and, unless material considerations suggest otherwise, makes a determination based on local, regional and national planning policies (see also Exeter City Council's Major Application Protocol<sup>15</sup>).

### **4.1 Planning Conditions vs. Planning Obligations**

4.1.1 Department of the Environment Circular 11/1995<sup>16</sup> requires that whenever a development proposal would otherwise be refused, planning conditions should be attached to a grant of planning permission. Circular 05/2005<sup>1</sup> stipulates that only where the scope of a planning condition is exceeded will a planning obligation be appropriate. Both circulars make it clear that permission cannot be granted subject to a condition that the developer enters into a planning obligation. Additionally, a condition cannot require payment of financial contributions nor works to land outside the control of the applicant whereas a planning obligation can be applied for either purpose and, unless discharged, removed or altered, will remain binding indefinitely.

### **4.2 Identifying Planning Obligations**

4.2.1 During pre-application discussions with developers, planning officers will, where necessary, identify a list of issues relevant to the development site to be considered in respect of planning obligations. The scope of this list will be informed by comments from formal consultees; local, regional and national planning policy; and the location and characteristics of the site concerned.

4.2.2 With reference to each of the issues identified by the LPA, developers should assess the impact of their proposals and identify what mitigation measures might be taken to ensure the development's sustainability. Where necessary, planning officers will seek further guidance from the appropriate organisations and agencies in order to appraise the developer's assessments and agree the nature and extent of the obligations sought.

4.2.3 Developers will be expected to submit draft section 106 Agreement 'Heads of Terms' in an electronic format at the same time as applying for planning permission and only once informal agreement on their content has been reached with the LPA. The Heads of Terms should explain what kind of and how much provision should be contained in and secured through planning obligations.

### **4.3 Site Requirements**

4.3.1 Site-specific circumstances often need to be addressed before, during and as a result of development. Where planning conditions can not control issues that include flood risk, land contamination, protected species and disruption caused by construction works, planning obligations are likely to be sought. Failure to address such issues is liable to result in planning permission being refused.

### **4.4 Policy Requirements**

4.4.1 Planning obligations may be required in order to ensure compliance with the local, regional and national planning policies identified in Section 3. It is intended that developers should provide for all infrastructure and services necessary to achieve sustainability from their proposals. The City Council's normal position will be to secure planning obligations on this basis.

### **4.5 Financial Contributions and Standard Charges**

4.5.1 In-kind planning obligations are not always practical for the provision of some infrastructure and services or in cases of development on small or high density sites. Planning obligations that provide for education services, highway works or open

space maintenance are, for instance, usually agreed in the form of financial developer contributions. Financial contributions can offer an approach that is both fair and equitable. They offer the additional prospect of being pooled to deliver strategic facilities, such as new play equipment that will be required as a result of several developments in an area, instead of discrete items of infrastructure.

- 4.5.2 In line with Circular 05/2005<sup>1</sup> and the Planning Obligations Practice Guidance<sup>6</sup>, standard charges and formulae are used to calculate financial planning obligations where possible. This approach should provide developers with greater certainty and allow for planning obligations to be agreed and planning application to be determined more quickly. The Summary of Planning Obligations Sought, located at the front of this SPD, includes an explanation of the standard charges that are usually applied to Section 106 agreements relating to developments in Exeter. Its contents will be subject to review.
- 4.5.3 The Planning Obligations Practice Guide<sup>6</sup> explains that Section 106 agreements rather than unilateral undertakings are more likely to be appropriate where financial planning obligations are necessary because a commitment from the Council to spend the money on specified infrastructure or services is usually required.

#### **4.6 Addressing Threshold Avoidance and Site Sub-division**

- 4.6.1 If a proposed development would not maximise the use of a site, planning obligations will be sought based on the land's most efficient configuration and most suitable use. This is to prevent developers from avoiding a planning obligation by reducing the scale of their proposals. In view of this and based on a policy that requires 25% of new housing to be affordable on sites with the potential to accommodate 15 or more units<sup>11</sup>, the developers of a site with capacity for 16 houses will be expected to deliver 4 as affordable housing even when only 14 are proposed.
- 4.6.2 Where a site is divided into smaller parcels, the Council will require that for the purposes of a planning obligation, the individual parcels are treated as a whole. Normally this means that one Section 106 legal agreement will be negotiated for the entire site concerned. Where separate agreements are negotiated, the same planning obligations will be sought in aggregate as if only one agreement were involved and then divided to reflect the proportionate impact of development on each parcel of land. On this basis, 25% affordable housing will be sought where a site is split and two adjacent but separate planning applications, each for the construction of 10 houses, are received.

#### **4.7 Viability**

- 4.7.1 Developers should take potential planning obligations and any identifiable exceptional site development costs into account when acquiring land for development. If, during the identification of Heads of Terms, it is claimed that the economic cost of fulfilling certain planning obligations would prevent development from occurring, it is expected that developers will also submit detailed 'open book' information about the scheme's economics to the Council prior to the formal submission of a planning application. Before reviewing the nature of the planning obligations sought, the City Council may seek valuation advice from an independent third party. All costs incurred by the Council in validating viability claims will have to be met by the developer.
- 4.7.2 Where viability claims are upheld, planning applications will only be approved if the benefits resulting from the proposed development will outweigh the costs incurred by moderating planning obligations. These costs and benefits will be measured against planning policy and site specific sustainability objectives. Planning applications are likely to be refused, for example, where it would not be possible to meet site specific requirements associated with remediating contaminated land.

## **5. Finalising Planning Obligations**

### **5.1 Before a Section 106 Agreement can be Drafted**

5.1.1 Before planning obligations can be agreed, the Council will require the following:

- (a) **Agreed heads of terms** supplied in electronic form for ease of circulation.
- (b) **A certificate of title** completed and signed by a solicitor. This should relate to the application site and any other land that needs to be bound by a planning obligation (for example where the use of adjoining land is to be restricted).
- (c) **A solicitor's undertaking to meet Exeter City Council's legal costs** in preparing and completing an agreement. The Council's Planning Solicitor will be able to provide an estimate of costs once the heads of terms have been broadly agreed. Where Devon County Council will be party to an agreement, that Council's legal costs will need to be paid in addition. The Councils' costs are to be paid whether or not the agreement is actually completed.

### **5.2 Agreement Timetable (see also annex 1)**

5.2.1 Developers are advised to enter into pre-application discussions in order to agree planning obligation heads of terms early and avoid an unnecessary refusal of planning permission. The Council is required to determine major planning applications within 13 weeks and all others within 8 weeks<sup>17</sup>.

5.2.2 Major applications are defined as follows:

- **Residential - 10 or more units or a site of 0.5 hectares or more**
- **All other uses - the creation or change of use of 1000m<sup>2</sup> or more of gross floorspace.**

5.2.3 Where a planning obligation is required, the Council may refuse an application for planning permission if a legal agreement has not been completed by the date that the application is due for determination and the developer is responsible for agreement delays.

### **5.3 Covenanting Parties**

5.3.1 The signatories of a Section 106 agreement will be those with a legal interest in the land, Exeter City Council and, where planning obligations associated with the provision of County Council administrated infrastructure or services (including highways, transport and education) are required, Devon County Council. Other agencies or parties, like the providers of car club facilities may also be included in the agreement where appropriate.

### **5.4 Model Agreements**

5.4.1 The Council has prepared model Section 106 agreements that are available from its website<sup>18</sup>. These contain standard clauses that can be applied to an agreed list of planning obligation heads of terms. The use of standard clauses should reduce the time taken for the Council's Planning Solicitor to correspond with the developer's agent or solicitor and conclude the terms of the agreement.

5.4.2 It is not necessary for the developer's solicitor to prepare a draft agreement as it is usual for the Council's Planning Solicitor to do so. Developers that do instruct their solicitor to draft a Section 106 Agreement are strongly encouraged to use the Council's standard templates. Production of a draft in a different form is likely to result in additional costs, to be borne by the developer, and may result in a refusal of planning permission if the agreement's completion is subsequently delayed.

## **5.5 Planning Obligations, Planning Committee, Application Decisions and Appeals**

- 5.5.1 Negotiation of a Section 106 agreement does not indicate that the Council is minded to approve a planning application. When a planning application is referred to the Council's Planning Committee, the nature of the negotiated planning obligations will be explained. If the Committee decides that planning permission should be granted, a decision notice will not be issued until the agreement has been completed.
- 5.5.2 In the event that a planning application is refused and the developer appeals, the Council will encourage the developer to complete the Section 106 agreement in a form that is conditional upon the appeal being allowed. This is without prejudice to the Council's position in respect of those refusal reasons which are unrelated to the contents of the section 106 agreement. Templates for this type of agreement are also available from the Council's website<sup>18</sup>.

## **5.6 Completing the Agreement**

- 5.6.1 Upon the completion of a Section 106 agreement, the Council's legal fees associated with the agreement's preparation will be payable. The Council will register the agreement as a Local Land Charge and the developer may, if covenanted within the agreement, be required to register the agreement as a charge against the Title of the land. The Council will also update the statutory registers and send a copy of the completed agreement to all relevant parties including Council officers.

## **6. Implementing Planning Obligations**

6.0.1 Having covenanted on the terms of planning obligations, developers are legally bound to observe them. It is expected that, having agreed to their terms, developers will perform their planning obligations without dispute. Where planning obligations are not adhered to, the Council is able to pursue enforcement action and, in accordance with the provisions of the Town and Country Planning Act 1990<sup>4</sup>, recoup the associated costs of doing so.

### **6.1 Monitoring Planning Obligations**

6.1.1 The Council has the procedures and a database in place to ensure that all planning obligations are adhered to by all parties. In the case of financial planning obligations, the database also ensures that developer contributions are spent by the Council in an efficient and timely manner, and for their agreed purpose.

### **6.2 Triggers for the Payment of Financial Planning Obligations**

6.2.1 Beside the Council's legal costs, which are payable on the completion of a Section 106 agreement, other financial developer contributions will be 'triggered' for payment in accordance with the terms of the planning obligations contained in the agreement. These triggers will depend on the development concerned. In some instances financial payments may be phased but should always be co-ordinated to ensure that infrastructure and services can be provided when they are required and in a sustainable way. Contributions towards the provision of play facilities, for example, will often be triggered prior to the commencement of development or, in the case of larger developments, upon the commencement of different phases of development. Meanwhile, maintenance payments for the same facilities will be sought prior to first occupation. In this way, the Council should be able to provide the play facilities that serve a development from the time that they are needed and the development first comes into use.

6.2.2 Divided into services commonly provided through financial planning obligations, the Summary of Planning Obligations Sought, located at the front of this SPD, explains when developer contributions are usually made payable.

### **6.3 Price Index**

6.3.1 Where financial contributions are not payable on the date of agreement, an inflation index will usually be applied. The index will normally be calculated monthly and based on the Building Costs Information Service Index of the Royal Institute of Chartered Surveyors (BCIS) or the Retail Price Index (RPI) published by the Office of National Statistics.

### **6.4 Council Expenditure of Financial Contributions**

6.4.1 Circular 05/2005<sup>1</sup> explains that the purpose of planning obligations is to make acceptable development proposals that would otherwise be unacceptable. If development did not occur, the Council would not need to facilitate the expenditure of financial developer contributions; neither would it incur the costs of doing so.

6.4.2 Planning obligations that require financial developer contributions imply the use of Exeter City Council resources to enable the money's expenditure. Where, for example, contributions towards the provision of a piece of public art are received, Council officers will need to engage in public consultation and design work before the piece is commissioned. Because of this, where planning obligations require that financial contributions are payable to the Council, the amount will include an element

for administration, including the work involved in receiving, managing and spending the money.

- 6.4.3 Annex 2 contains a table that explains the maximum portion of individual financial contributions that the Council will retain for its part in administrating the conversion of money into infrastructure and services. Its figures have been determined and broken down to reflect the outcomes of a long-term assessment of costs for the various Council services in relation to which planning obligations are commonly negotiated. For example, a figure for receiving and ensuring that moneys are spent as agreed has been determined with reference to the average costs that the Council has incurred in this respect over the past 5 years. The table will be subject to review.

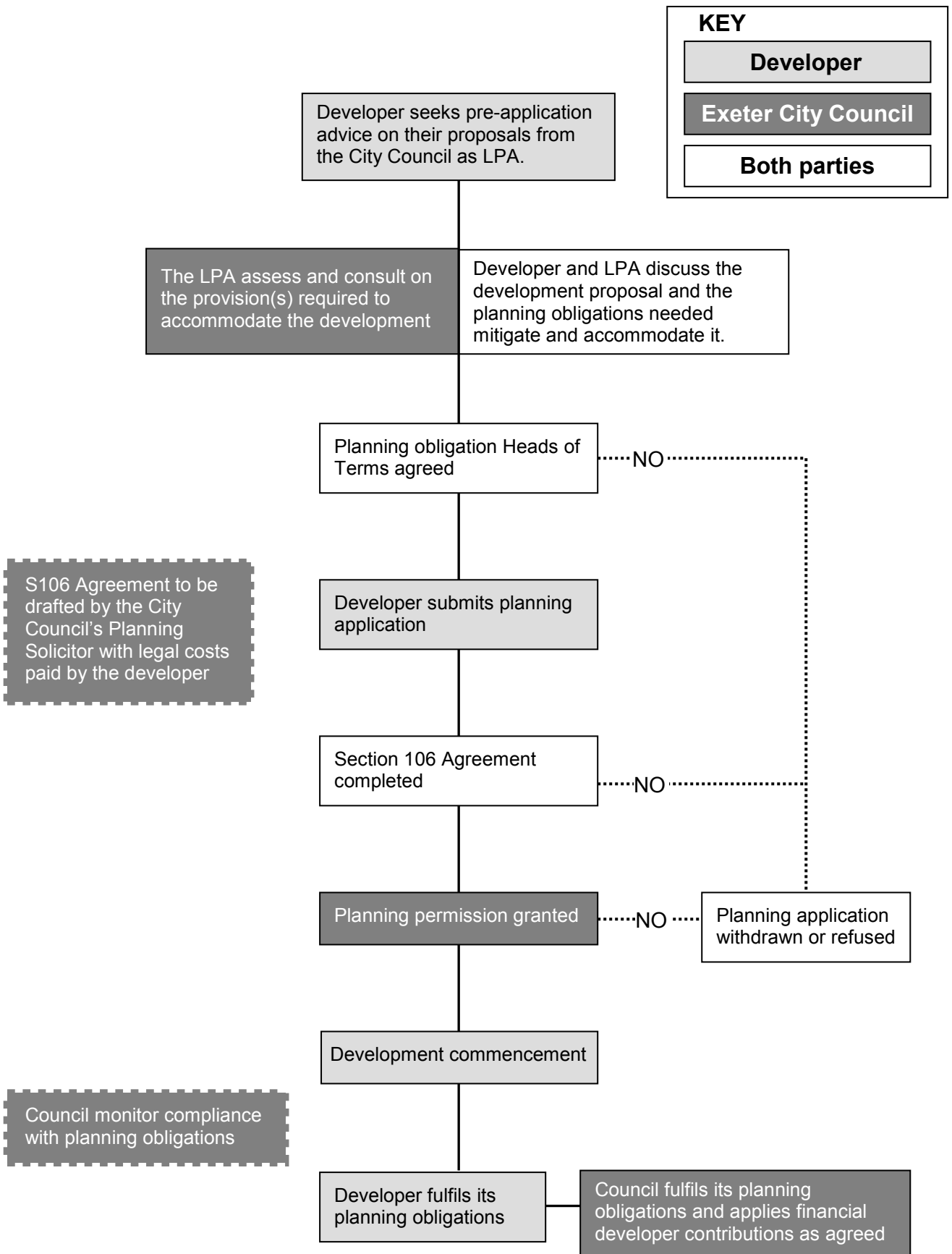
## **6.5 Modifying and Discharging Planning Obligations**

- 6.5.1 In accordance with Section 106A of the Town and Country Planning Act 1990<sup>4</sup> (as amended<sup>5</sup>), a planning obligation may not be modified or discharged except by agreement with the Council acting in its power as LPA. 5 years after the obligation was entered into, a formal application may be made to the authority for its modification or discharge. If this is refused Section 106B provides for the right of appeal against the decision to the Secretary of State.
- 6.5.2 Further detail is provided by the Town and Country Planning (Modification and Discharge of Planning Obligations) Regulations 1992<sup>19</sup>.

## References

1. Circular 05/2005: Planning Obligations	Office of the Deputy Prime Minister <a href="http://www.communities.gov.uk">www.communities.gov.uk</a>	Jul 2005
2. Exeter Local Plan First Review 1995-2011	Exeter City Council <a href="http://www.exeter.gov.uk">www.exeter.gov.uk</a>	Mar 2005
3. The Planning Act 2008	Her Majesty's Stationery Office <a href="http://www.opsi.gov.uk">www.opsi.gov.uk</a>	Nov 2008
4. Town and Country Planning Act 1990	Her Majesty's Stationery Office <a href="http://www.opsi.gov.uk">www.opsi.gov.uk</a>	May 1990
5. Planning and Compensation Act 1991	Her Majesty's Stationery Office <a href="http://www.opsi.gov.uk">www.opsi.gov.uk</a>	Jul 1991
6. Planning Obligations: Practice Guidance	Department for Communities and Local Government <a href="http://www.communities.gov.uk">www.communities.gov.uk</a>	Aug 2006
7. Planning Policy Statement 1	Office of the Deputy Prime Minister <a href="http://www.communities.gov.uk">www.communities.gov.uk</a>	Jan 2005
8. Regional Planning Guidance 10	Government Office for the South West <a href="http://www.gos.gov.uk">www.gos.gov.uk</a>	Sep 2001
9. Devon Structure Plan 2001 - 2016	Devon County Council <a href="http://www.devon.gov.uk">www.devon.gov.uk</a>	Oct 2004
10. Draft Regional Spatial Strategy for the South West 2006 - 2026	South West Regional Assembly <a href="http://www.southwest-ra.gov.uk">www.southwest-ra.gov.uk</a>	Jun 2006
11. Draft Affordable Housing SPD	Exeter City Council <a href="http://www.exeter.gov.uk">www.exeter.gov.uk</a>	Sep 2007
12. Public Open Space SPD	Exeter City Council <a href="http://www.exeter.gov.uk">www.exeter.gov.uk</a>	Sep 2005
13. Car Clubs SPG	Exeter City Council <a href="http://www.exeter.gov.uk">www.exeter.gov.uk</a>	Sep 2005
14. Draft Trees in Relation to Development SPD	Exeter City Council <a href="http://www.exeter.gov.uk">www.exeter.gov.uk</a>	May 2009
15. Exeter City Council Planning Services Major Applications Protocol	Exeter City Council <a href="http://www.exeter.gov.uk">www.exeter.gov.uk</a>	Nov 2008
16. Circular 11/1995: Use of Conditions in Planning Permission	Department of the Environment <a href="http://www.communities.gov.uk">www.communities.gov.uk</a>	Jul 1995
17. The Town and Country Planning (General Development Procedure) Order 1995	Her Majesty's Stationery Office <a href="http://www.opsi.gov.uk">www.opsi.gov.uk</a>	Jun 1995
18. <a href="http://www.exeter.gov.uk/planningobligations">www.exeter.gov.uk/planningobligations</a>	Exeter City Council <a href="http://www.exeter.gov.uk">www.exeter.gov.uk</a>	Mar 2009
19. Town and Country Planning (Modification and Discharge of Planning Obligations) Regulations 1992	Her Majesty's Stationery Office <a href="http://www.opsi.gov.uk">www.opsi.gov.uk</a>	Dec 1992
20. Planning Policy Statement 3	Department for Communities and Local Government <a href="http://www.communities.gov.uk">www.communities.gov.uk</a>	Nov 2006
21. Bruntland, G H (ed.); Our Common Future	Oxford University Press	Mar 1987

# Annex 1: Planning Obligations (Section 106) Procedure



## **Annex 2: Maximum Element of Financial Contributions Retained for Directly Related Professional Costs**

Affordable Housing	<ul style="list-style-type: none"> <li>- Receiving and ensuring that money is used for its agreed purpose</li> <li>- Designing, consulting on and commissioning works</li> </ul>	£162 + 10% of total sum agreed
Car Clubs	<ul style="list-style-type: none"> <li>- Contributions will ordinarily be paid directly to a car club provider.</li> </ul>	NA
Community Facilities	<ul style="list-style-type: none"> <li>- Receiving and ensuring that money is used for its agreed purpose</li> <li>- Designing, consulting on and commissioning works</li> </ul>	£162 + 10% of total sum agreed
Environmental Enhancements	<ul style="list-style-type: none"> <li>- Receiving and ensuring that money is used for its agreed purpose</li> <li>- Designing, consulting on and commissioning works</li> </ul>	+ £162 + 10% of first £40,000 + 5% of £40,000-£100,000
Parks, Leisure and Open Spaces	<ul style="list-style-type: none"> <li>- Receiving and ensuring that money is used for its agreed purpose</li> <li>- Designing, consulting on and commissioning works</li> </ul>	£162 + 10% of total sum agreed
Public Art	<ul style="list-style-type: none"> <li>- Receiving and ensuring that money is used for its agreed purpose</li> <li>- Designing, consulting on and commissioning works</li> </ul>	£162 + 10% of first £40,000 + 5% of £40,000-£100,000

**For an explanation of this table's basis please see paragraphs 6.4.1 - 6.4.3**

## **Annex 3: Glossary of Terms**

<b>Acronym</b>	<b>Term</b>	<b>Description</b>
	Affordable Housing	As defined in PPS3 <sup>20</sup> but, specifically, housing for local people within Exeter that cannot afford to buy or rent within the open housing market.
	Amenity	The pleasure or enjoyment (or lack of) created by the presence of a development, facility or service.
BCIS	Building Costs Information Service Index	A data source that provides a quarterly measure of construction industry costs.
	Car Club	Arrangements that offer access to a pool of cars for flexible periods of time (as little as an hour or up to 2-3 days), as and when required and on a pay as you drive basis.
	Circular	Government guidance on the implementation of national legislation. Circular 05/2005 offers guidance on Section 106 of the Town and Country Planning Act 1990 (as amended).
CIL	Community Infrastructure Levy	Enacted by the paving legislation of The Planning Act 2008, regulations on the use of CIL are being prepared. Rather than securing infrastructure related planning obligations, LPAs will be able to charge a financial CIL based on evidenced local policies in order to provide the local and regional strategic infrastructure required to accommodate new development. CIL will not remove the need for site specific planning obligations.
	Consultee	In the case of planning obligations, this is a person body or group consulted by the LPA to help determine heads of terms for planning obligations. These might include the Highways Authority and the Environment Agency.
	Core Strategy	A DPD that sets out the vision and strategic spatial objectives for the spatial development of the city.
	Developer	In the case of planning obligations, and for the purposes of this SPD, the Developer is the proprietor of a piece of land. Planning obligations that apply to a developer run with the land and apply to successive proprietors unless otherwise agreed.
	Development	The carrying out of building, engineering, mining or other operations in, on, over or under land, or the making of any material change in the use of any buildings or other land (Town and Country Planning Act 1990, Section 55)
DPD	Development Plan Document	Local policy documents that, when combined with the RSS and are adopted, will form the basis upon which all planning decisions are made.
	Devon Structure Plan 2001-2016	Sets out strategic planning policies for development and other land uses and provides the strategic basis for the Exeter Local Plan 1995-2011 and the determination of planning applications.
	Enforcement action	The LPA may enforce a planning obligation by injunction or, where the developer is required to carry out works on the land and 21 days notice has been given; by entering the land, doing the works itself and recovering all reasonable expenses.

Acronym	Term	Description
	Exeter Local Plan 1995-2011	Together with the Devon Structure Plan 2001-2016 provides the basis for land-use planning decisions in Exeter.
	Heads of Terms	The key issues identified during the initial assessment of a development proposal that will need to be addressed through planning obligations.
	Infrastructure	Publically accessible assets, systems and networks including roads, electricity, sewers, water and education services.
LDF	Local Development Framework	A portfolio of documents including DPDs and SPDs that set out the planning proposals for the area.
	Local Land Charge	A prohibition or restriction on the use of land, or a financial charge affecting the land, which is usually imposed by the Local Authority and binding on the successive owners of the land.
LPA	Local Planning Authority	Exeter City Council is the statutory provider of planning services in Exeter except in the case of development on land controlled by Devon County Council (highway, minerals, waste, and education).
	Material Consideration	Any issue that should be taken into account when deciding a planning application or an appeal against a planning decision. Planning policies will guide planning application decisions unless other material considerations associated with need, impact and local circumstance are considered to carry greater weight.
	Mitigate	In the case of planning obligations, actions to correct for the negative impacts and effects of a development.
	Perpetuity	Continuing indefinitely (in practice usually limited by law to 80 years).
	Planning Condition	Guided by Circular 11/95, planning conditions impose restrictions on the grant of planning permission. Planning obligations should only be agreed where planning conditions are not sufficient.
	Planning Obligation	In the form of a legal agreement, planning obligations apply to an area of land and are secured to ensure that developers mitigate for the impacts of, and provide for the infrastructural requirements arising from, development.
PPG	Planning Policy Guidance Notes	A series of Government guidance notes that set out national policy on various planning issues. PPGs are in the process of being replaced by PPSs.
PPS	Planning Policy Statement	An updated series of Government guidance notes that set out national policy on various planning issues.
RPG	Regional Planning Guidance	Published by the Secretary of State for Transport, Local Government and the Regions, RPG 10 provides development and spatial strategies for the South West from 2001-2016. RPG10 and the Devon Structure Plan 2001-2016 will be replaced by the South West RSS.
RSS	Regional Spatial Strategy	Presently in draft form, the South West RSS will replace RPG10 and the Devon Structure Plan 2001-2016 to provide a strategic development plan for the South West that guides

Acronym	Term	Description
		the policies of Exeter's LDF.
RPI	Retail Price Index	The most familiar measure of inflation in the UK.
	Spatial Planning	Addresses not only the physical development of land but its use and the activities undertaken on it.
SPD	Supplementary Planning Document	Amplify and provide more detail on the policies contained within DPDs. SPDs are subject to public consultation and are a material consideration in determining planning applications.
SPG	Supplementary Planning Guidance	Amplify the policies of the Local Plan. With the completion of an LDF, SPGs will superseded by SPDs.
	Sustainable Development	Considered in social, economic and environmental terms, sustainable development, 'meets the needs of the present without compromising the ability of future generations to meet their own needs' <sup>21</sup> .
	Trigger	The point (in terms of time or the extent of development) at which a planning obligation should be completed.

## EXETER CITY COUNCIL

EXECUTIVE  
29 JUNE 2009

### RESULTS OF CONSULTATION ON TOPSHAM CONSERVATION AREA APPRAISAL AND MANAGEMENT PLAN

#### **1 PURPOSE OF REPORT**

- 1.1 To consider representations received in relation to the draft Topsham Conservation Area Appraisal and Management Plan (CAAMP) and proposed amendments to the document to be recommended for adoption.

#### **2 BACKGROUND**

- 2.1 On 25 November 2008 Executive agreed the draft Topsham Conservation Area Appraisal and Management Plan for public consultation.
- 2.2 Copies of the document were made available from the Civic Centre and on the Council website. A public exhibition was held on 4 and 5 March at The Globe Hotel, Topsham. This event was advertised with posters throughout the area and also in the Express and Echo. A period of six weeks was allowed for comments.
- 2.3 148 people attended the exhibition and 24 written responses were received, the majority of which were in favour of the proposed amendments to the boundary and document, with some offering further suggestions and/or corrections.

#### **3 CONSULTATION RESPONSES**

- 3.1 The main issues raised in the responses received were:
- Issues of traffic, parking, signage and pedestrian safety
  - Extending the conservation area boundary further to include all of Elm Grove Road, Greatwood Terrace, RSPB site and Ashford Road
  - Protection of boundary wall in Ashford Road
  - Lack of emphasis on Landscape setting
- 3.2 A schedule of the comments received and the proposed responses is included at Appendix I.
- 3.3 The criteria for proposed boundary amendments are included at Appendix II.
- 3.4 Following the consultation, officers recommend no further alterations be made to the boundary; a plan showing the proposed amendments to the area is attached.
- 3.5 The amended version of the draft CAAMP is available on the website.

**4 CONCLUSION**

- 4.1 The production of conservation area appraisals is an important objective of the Planning Service. Consistent local principles and national conservation area guidance are followed. It is anticipated that adoption of the appraisal will be recommended to Executive at the end of June.

**5 PLANNING MEMBER WORKING GROUP COMMENTS**

- 5.1 Planning Member Working Group discussed the report and supported adoption of the Conservation Area Appraisal and Management Plan as revised.

**6 RECOMMENDATION**

- 6.1 Members are recommended to adopt the amended conservation area, shown on the attached plan, and the appraisal and management plan.

**RICHARD SHORT  
HEAD OF PLANNING AND BUILDING CONTROL**

**ECONOMY AND DEVELOPMENT DIRECTORATE**

**APPENDIX I**

**SCHEDULE OF COMMENTS RECEIVED DURING PUBLIC  
CONSULTATION, TOPSHAM CONSERVATION AREA APPRAISAL &  
MANAGEMENT PLAN**

*Proposed response in italics.*

<b>Address</b>	<b>Comments</b>
1. 1 Chapel Place	Greatwood Terrace could also be added to the conservation area. The parapet at Elm Grove Road railway bridge is an ugly solution to a non-existent problem. <i>Greatwood Terrace is not considered to meet the published criteria for proposed boundary amendments, in particular criterion 1. The Council agrees that the parapet on Elm Grove Road railway bridge is unsightly. Network Rail's case for constructing it was that there was no practical alternative</i>
2. 10 Victoria Road	Boundary could be extended further to include Ashford Road and the old boundary wall to Retreat House. The cobbled paths need protection and maintenance, as do walls at the back of Globefields. Better maintenance required of green areas, in particular roadside hedges and banks. Document good but conservative. <i>Ashford Road is not considered to meet the published criteria for proposed boundary amendments, in particular criterion 1. The condition of the cobbled paths and walls has been highlighted in the proposed amended document.</i>
3. Mansard, Parkfield Road	The allotments should be protected from development. The area of Bowling Green Marshes should be included to protect the river side embankments which form part of the character of the area. <i>Conservation area designation is primarily about protection of urban areas and the spaces and landscape closely associated with them. The area of Bowling Green Marshes is designated as Valley Park, a Ramsar Wetland area and a Site of Special Scientific Interest. As such, this area is sufficiently protected from any unsuitable development proposals.</i>
4. 6 Elm Grove Road	Agrees with proposed boundary alterations. Found exhibition interesting and informative. Houses on the north side of Elm Grove Road between Bridge Inn and roundabout should be included because, despite alterations, they seem to be early C20th and contribute positively to the town landscape. Concern about cycle route through Topsham, particularly where there is cycle/pedestrian conflict. Asks that cyclists should dismount in these areas. Wishes to see a better solution to the railway bridge parapet on Bowling Green Lane. Concern about proposal to add traffic lights to the bridge over the Clyst and notes alternative plans for a separate pedestrian/cycle bridge. <i>Elm Grove Road is not considered to meet the published criteria for proposed boundary amendments in particular</i>

	<i>criteria 1, 7 and 8. Pedestrians are more at risk from motorised traffic than cyclists and there is no case to require cyclists to dismount. . The Council agrees that the parapet on Elm Grove Road railway bridge is unsightly. Network Rail's case for constructing it was that there was no practical alternative. The proposal for traffic lights on the bridge over the Clyst originated with Devon County Council but other solutions are now being examined.</i>
5. 51 Retreat Road	The boundary wall of Retreat House along Sir Alex Walk and Ashford Road should be protected. Hopes areas outside the conservation area will still be protected from poor development, such as dormer windows. <i>The boundary wall adjacent to Sir Alex Walk is within the conservation area and has been highlighted in the second draft document. Normal planning controls apply outside the conservation area and whilst some works are permitted development and therefore outside the control of the Council, where applications are made, consideration is given to the effect of any proposals on the surrounding townscape.</i>
6. 4 Exeter Road	Conservation area should be extended to include Elm Grove Road and the fields to the Clyst to preserve views and some older properties. Control should be exercised immediately adjacent to the CA where there would be an impact on the CA, such as in the development of unsightly outbuildings. There are too many road signs and these should be grouped to have less impact. Would like to see fewer yellow lines and parking restricted in some other way. <i>Elm Grove Road and the fields north are not considered to meet the published criteria for proposed boundary amendments, in particular criteria 1, 3, 7 and 8. Normal planning controls apply outside the conservation area, but the impact any proposals may have on the conservation area will be considered. Devon County Environment, Economy and Culture Directorate will be approached following this appraisal in relation to a signage/yellow lines audit to see if this can be reduced.</i>
7. 33 Higher Shapter Street	Areas included in the proposed additions are not particularly attractive or historic. Would like to see good quality modern development encouraged to enhance the area. Does not feel everything should stay the same. <i>Conservation area designation is not about preserving in aspic and good quality contemporary design is a welcome addition to the conservation area. The appraisal document sets this out under the "Design Guidance" section and the Council is supportive of schemes that integrate modern design with historic townscape.</i>
8. Riverbank, The Retreat Drive	The wall beside Ashford Road and Sir Alex Walk should be protected. Sir Alex Walk is a public footpath and in very poor condition. <i>Ashford Road is not considered to meet the published criteria</i>

	<i>for proposed boundary amendments, in particular criterion 1. The boundary wall adjacent to Sir Alex Walk is within the conservation area and has been highlighted in the proposed amended document. The condition of the footpath has been noted and is highlighted in the proposed amended document.</i>
9. 38 Elm Grove Road	The C19th limestone wall along the boundary of 38 Elm Grove Road enhances the area. The parapet over the railway bridge on Elm Grove Road is of no merit and should not have been allowed in a conservation area. <i>Comments regarding the wall area noted – it is already within the conservation area. The Council agrees that the parapet on Elm Grove Road railway bridge is unsightly. Network Rail's case for constructing it was that there was no practical alternative.</i>
10. No address given	Agrees with proposed boundary alterations. <i>Comments noted.</i>
11. 7 Pound Close	No mention is made in the document of the Topsham Museum which forms an important visitor attraction and shows the history of Topsham. <i>Comments noted and proposed amended document will reflect this.</i>
12. 17 Grove Hill	Questions whether there will be any further permissions required for the erection of a shed or green house on the allotments if the area were to be designated as a conservation area. <i>The erection of sheds on allotments is dealt with under separate allotment legislation and is not a planning matter providing the shed is does not exceed 200m<sup>2</sup>. This is the case whether or not they are within a conservation area.</i>
13. The Belvedere, Mount Howe	Agrees with inclusion of cemetery but not of Denver Road area. The Quay Antiques centre is a central feature of the town and deserves some comment as an important relic of the industrial past. Thought should be given to how the building or its environs could be improved. Area of woodland on Monmouth Street/Bowling green Lane is unattractive and overgrown. Can steps be taken to improve the area? Numerous issues are raised but few actions proposed, which diminishes the impact of the appraisal. No way forward proposed to tackle parking problem. Suggests a Blue Plaque scheme for the points of historic or architectural interest. <i>Comments noted, referred to relevant sections within the document. The proposed amended draft of the document notes the industrial past of the Quay Antiques centre and proposes actions on issues raised. Council has limited powers over privately owned land in terms of clearance. The Blue Plaque scheme is a National scheme run by English Heritage and does not currently extend to the South West. However the local Civic Society has, in the past, proposed blue plaques to commemorate famous people or events and</i>

	<i>the impetus for such a scheme must come from a local organisation, such as The Topsham Society.</i>
14. 34 Station Road	<p>Does not agree with proposed boundary amendments, considers that they would dilute the existing conservation area and makes a case for reducing the area to focus on the historic core. Does not agree with fragmentation into sub areas and states that there has been oversimplification of general building styles and over emphasis on other areas. Points out discrepancies in the document relating to specific roads or phrases. Praises Management Plan layout and agrees with many of the issues raised. Disapproves of value –laden prose. States limitations to CA designation. Points out minor editorial errors in the document.</p> <p><i>Comments regarding the proposed boundary amendments are noted, however after further consideration there is no compelling reason to suggest alternatives. Subdivision of a large conservation area into distinct character areas is a practice supported by English Heritage guidance. Discrepancies in document and other editorial errors in document have been corrected in second draft.</i></p>
15. The Topsham Society	<p>Agrees with the proposed boundary extensions, however proposes a broader and simpler extension to include Ashford Road and Retreat Road, Greatwood Terrace, Elm Grove Road including the fields down to the River Clyst and Grove Hill.</p> <p>Specific attention should be drawn to:</p> <ol style="list-style-type: none"> <li>1. Landscape setting and nature conservation features - the need to protect these, including reference to the surrounding countryside designations.</li> <li>2. Topsham Quay – importance is diluted by being split between 2 sub areas. Plans to complete dredging works and possibilities of introducing boat launching should be incorporated into a management plan for the quay.</li> <li>3. Signage and Visual Clutter – agree with comments and asks LPA to take initiative and liaise with other relevant authorities to make something happen.</li> <li>4. Article 4 Directions – Need to protect walls etc has been highlighted. Supports the case for an A4 Direction to be made as a blanket Order and agrees with case for strengthening A4 controls within The Strand Gardens.</li> </ol> <p>Detailed comments on sub-areas:</p> <ol style="list-style-type: none"> <li>1. Area 1, The North - Propose recreation ground be identified as a positive space on the key features plan; agree with proposed information board on archaeology of the area; who would take initiative for landscaping works to recreation ground; reference should be made to the Ferry.</li> <li>2. Area 2, Medieval Core - See comments above on Topsham Quay. View from quay should be identified as important; signage clutter is a particular issue; agree with comprehensive enhancement scheme for</li> </ol>

	<p>Fire Station area...who would take initiative on this? Cobbled passageway behind Cromer House is not mentioned.</p> <ol style="list-style-type: none"> <li>3. Area 3, The Strand - Views down Higher Shapter Street and across river from Hannaford Quay and the Museum should be marked as important views. Strand Court has an attractive central garden. Other enhancements of Strand Court would be beneficial. Who would be responsible?</li> <li>4. Area 4, The Goat Walk – Issue of traffic along foreshore between Riversmeet Road and The Strand. States some other important views not labelled on plans. Asks whether RSPB site should be included? Comments on landscape setting should be included here.</li> <li>5. Area 5, Bridge Inn – Recently installed metal parapet on the railway bridge should be marked as being detrimental and Network Rail informed and requested to remedy this. Other important views stated. Setting of Bridge Inn raised as issue in light of DCC proposals for traffic lights. Positive area of trees by Holman Way is park not marked on plan.</li> <li>6. Area 6, Parkfield Road – No specific comments.</li> <li>7. Community Facilities – tennis courts adjacent to swimming pool and recreation ground should be included in recreational facilities.</li> <li>8. Open Spaces and Trees – text to be expanded to include reference to important designations.</li> <li>9. Summary – should include landscape setting</li> <li>10. Design Principles – Statement is brief and not cross referenced with existing Design Principles.</li> </ol> <p>Agrees with issues in management Plan but feels it would be helpful to set out who would be responsible for taking action and a timescale should be given. Urges Council to progress Article 4(2) Direction. Issues raised in document and not carried forward into management plan should be reviewed further to identify management actions.</p> <p><i>Ashford Road, Greatwood Terrace, Elm Grove Road and the fields were considered as part of the initial appraisal, both individually and also as part of a much larger conservation area. However it was not considered that the areas met the published criteria for proposed boundary amendments, in particular criterion 1, 7 and 8 and in general it was considered that the inclusion of all of these areas would dilute the special character of the remaining area. All other comments have been noted and changes made in respect to them in the proposed amended draft of the document. In terms of imposing Article 4 Directions in Topsham, it has always been the Council's intention to give further consideration to these after the programme of conservation area appraisals has been completed. It is intended that a report to consider whether members wish to proceed with a programme of Article 4 Direction shall be completed in Autumn this year and because areas of Topsham have been identified as being at</i></p>
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	<i>risk, it is likely that these will be identified as a priority in any programme.</i>
16. 13 Elm Grove Road	Shares concerns over state of Topsham's streets and agrees about obtrusive signage. Surprised that allotments are proposed to be included, but does not object. Mixed feelings about the inclusion of early C20th properties on Elm Grove Road and would not object to Article 4 Directions being more widely used. <i>Comments noted</i>
17. 33 The Strand	Elm Grove Road and Grove Hill should be included, as well as fields down to the Clyst and the RSPB site as they form part of the landscape setting of Topsham. Makes several detailed comments on errors/word usage within the document. <i>Elm Grove Road, the fields and the RSPB site were considered as part of the initial appraisal, both individually and also as part of a much larger conservation area. However it was not considered that it met the published criteria for proposed boundary amendments, in particular criterion 1, 7 and 8. Other comments have been noted and changes made in respect to them in the proposed amended draft of the document.</i>
18. 3 Denver Place, Elmgrove Road	Agrees with boundary amendments. Comments on abundance of traffic signs and "wirescape". Traffic calming measures would be useful, particularly in High Street, Denver Road, Elmgrove Road and Station Road. <i>Comments noted. Devon County Council Environment, Economy and Culture Directorate will be approached following this appraisal in relation to a traffic audit and suggestions for traffic calming will be discussed.</i>
19. 4 Higher Shapter Street	In favour of proposed boundary amendments and suggests that Area 2 be extended to include the area from the allotments to Elm Grove Avenue and the existing boundary on the south west side of the road. The photograph of Higher Shapter Street shows a stretch of cobbles that were recently repaired, however the rest of the pavement/road is not in such good condition. Document lacks the detail of the 1993 study and the recent Townscape Appraisal and Design Guide and these should be referenced and acknowledged. Several suggestions for alterations/additions to the document. <i>Elm Grove Road was considered as part of the initial appraisal, however it was not considered that it met the objectives of the published criteria for proposed boundary amendments, in particular criterion 1, 7 and 8 and in general it was considered that the inclusion of the encompassed area would dilute the special character of the remaining area.</i>

<p>20. 2a Elm Grove Road</p>	<p>In favour of the proposed boundary alterations, but does not think they go far enough. Elm Grove Road should be included to the Bridge Inn and Greaterix Terrace (Greatwood??).</p> <p><i>Greatwood Terrace and Elm Grove Road were considered as part of the initial appraisal, both individually and also as part of a much larger conservation area. However it was not considered that the areas met the objectives of the published criteria for proposed boundary amendments, in particular criterion 1, 7 and 8 and in general it was considered that the inclusion of all of these areas would dilute the special character of the remaining area.</i></p>
<p>21. No address</p>	<p>Feels strongly about the bad state of the pavements and roads. Particularly Tresillian Cottages.</p> <p><i>Comments noted. Devon County Council Environment, Economy and Culture Directorate will be approached following this appraisal in relation to a traffic and road audit and suggestions for road repairs will be discussed.</i></p>
<p>22. 55 Victoria Road</p>	<p>Insufficient attention on the major issue of the impact of traffic and parking and the problem of pavements. These are narrow and uneven, forcing pedestrians onto the road. Suggests ways of improving the problem such as banning parking in Fore Street, narrowing the roadway, restricting heavy traffic or creating a pedestrian area.</p> <p><i>Comments noted. Devon County Council Environment, Economy and Culture Directorate will be approached following this appraisal in relation to a traffic and road audit and suggestions for improvements will be discussed.</i></p>
<p>23. No address given</p>	<p>Four houses in Majorfield Road are late C17th not C18th. The former Quaker building is no longer of any architectural value as a result of the building project piloted by ECC which altered its basic form. This is also late C17th</p> <p><i>Comments noted and alterations to text made in proposed amended draft document</i></p>
<p>24. Strand Court Association</p>	<p>Notes that the document is critical about Strand Court but should acknowledge the generally high standards of maintenance, and in particular the garden, which is an asset to The Strand. The design of the buildings does attempt to reflect some of the local materials and the riverside aspect has been recently improved by the rebuilding of balconies. Residents association is discussing improvements of some areas and design guidance would be welcomed. The entrance splay is essential to allow large vehicles to turn and is the only place along The Strand where this is possible.</p> <p><i>The comments in the document regarding this development are aimed at the overall scheme and its impact on the character of the surrounding historic townscape and are not meant to undermine the high standards of maintenance displayed in the public areas. A note has been added to the proposed amended draft to this effect.</i></p>

**APPENDIX II****CONSERVATION AREA APPRAISALS  
CRITERIA FOR PROPOSED BOUNDARY AMENDMENTS**

The starting point should be a presumption against altering boundaries unless there is a strong case based upon the appraisal.

1	Conservation Area boundaries should be drawn to include relevant building groups that have coherence and similarities in either materials, periods or styles and open spaces surrounding these that form an integral part of the building groups (with regard to the fact that CA's are primarily about buildings and their related land not open spaces). Building groups to be included should be substantially intact in terms of architectural features.
2	Boundaries should still exist on the ground and make sense.
3	The setting of important features should be adequately protected.
4	Changes in attitude to architecture and history should be addressed.
5	The impact of any changes in legislation should be addressed.
6	There must be a compelling case for deleting areas that were previously designated.
7	Areas that lack character (holes) lying within the proposed Conservation Area may be included where there is a reasonable probability that a substantial part of the area will be redeveloped within 5-10 years and the designation can therefore influence the quality of development. (It is assumed that CA's will have a life of 5-10 years between reviews). Where a substantial redevelopment scheme has already been approved and is likely to proceed, the decision should rest on whether there is a clear case that the approved scheme will enhance the character of the area.
8	Holes characterised by substantial areas of relatively modern or mundane development where redevelopment is unlikely should be excluded.
9	Where existing areas of a Conservation Area are considered in the appraisal to have more in common with an adjoining Conservation Area, it should generally be removed from the area being appraised and appended to the adjoining area in order to be fully appraised when that area undergoes its next appraisal.
10	Existing Conservation Areas should only be amalgamated or subdivided if there is a clear case that the proposed amendment more accurately reflects the appraised character.

## EXETER CITY COUNCIL

### ECONOMY SCRUTINY COMMITTEE 11 JUNE 2009

EXECUTIVE  
29 JUNE 2009

#### CONCESSIONARY TRAVEL SCHEME

##### 1.0 PURPOSE OF REPORT

- 1.1 To advise Members on developments in relationship to the concessionary travel scheme and seek their views on options for changing the administration of the scheme.

##### 2.0 BACKGROUND

- 2.1 Members will be aware of the financial challenge which the concessionary travel scheme now presents to the Council. Since the statutory minimum bus concession was first introduced in 2001, it has evolved from a scheme which allowed half-fare local travel to one which, from April 2008, permits free travel on a national basis. The basis on which local authorities pay for concessionary travel has also changed: prior to April 2008, Councils paid for all trips undertaken by passholders resident in their area. Since April 2008, Councils pay for all trips originating in their area, regardless of where the passholder making the trip actually lives. This has had a dramatic impact on cities such as Exeter which generate a large number of inward trips, as the Council is responsible for paying for the return or onward portion of each journey.
- 2.2 In addition to the cost pressures generated by the new scheme, the extra funding provided by government, in the form of special grant, has been unevenly distributed and led to a large imbalance between additional costs and additional funding in many authorities, including Exeter. The shortfall in funding for the City Council amounted to some £1.3 million in 2008/09 and is estimated to be approximately £1.67 million in the current financial year.
- 2.3 In response to this situation, the Council has been lobbying the Department for Transport (DfT) for a more equitable funding settlement, both on an individual basis and jointly with other affected authorities via the Local Government Association. Although Ministers at the DfT are reportedly "sympathetic" to the situation faced by Exeter and others, no firm commitment to change the funding formula has yet been forthcoming. The DfT has, however, published a consultation document on possible changes to the administration of concessionary travel with a likely implementation date of April 2011. This consultation exercise is covered in paragraph 3 below.
- 2.4 Officers have also sought to limit the costs of concessionary travel to the Council insofar as it is possible to do so. To this end, at its meeting on 27 January 2009 Executive agreed a three year financial settlement with Stagecoach (who account for the overwhelming majority of the Council's expenditure on concessionary travel) which effectively 'caps' the amounts we pay to them this year and next. The crucial advantage of this settlement is that Stagecoach have withdrawn their appeal against the reimbursement rate applied to them (put simply, the percentage value of an average fare which compensates them for carrying

concessionary passengers) and have undertaken to indemnify the Council and partner authorities in the Devon Concessionary Bus Travel Partnership against the outcome of a Judicial Review which is proceeding against the methodology used in determining reimbursement appeals. In the absence of a fixed sum settlement, the implications of decisions on reimbursement rates going against the Council would be very significant. Officers understand that two Councils have recently lost bus operator appeals. In one case, it is believed this has cost the authority an additional £250,000, and in the other case £600,000. Officers have recently been finalising the technical details of the agreement with Stagecoach and it is expected that it will be concluded and signed off imminently.

### **3.0 DEPARTMENT FOR TRANSPORT CONSULTATION**

- 3.1 As noted in paragraph 2.3, the Department for Transport has published a consultation paper on possible changes to the administration of the concessionary travel scheme and is inviting responses by 21 July 2009. Although the consultation does not address the Council's immediate issues regarding funding, it does have implications for how the scheme might be financed by government in the future.
- 3.2 The main options put forward are moving responsibility for concessionary travel to upper tier authorities only (i.e. the County Council in the case of Devon as it is currently organised); moving responsibility to central government; or leaving the arrangements as they are (i.e. largely with District councils). A further option of moving the administrative arrangements to a regional level is referred to, but it is noted that such a move would require primary legislation and would therefore take longer to achieve.
- 3.3 The government's initial preference is to shift responsibility from District to County Councils. This is in part because of the efficiency savings that could be achieved, but principally because of the synergies this would offer between concessionary travel on the one hand and the wider strategic transport responsibilities of upper tier authorities on the other. In principle, officers would support this approach (because of the synergy argument and also to help even out local funding differentials), but the key question would be the financial implications that would follow.
- 3.4 The consultation document acknowledges the difficulties associated with removing funding from lower tier authorities. At the level of special grant it is straightforward: the amount payable to each District Council would be withdrawn and paid to the County Council instead. However, in the case of formula grant (the block grant given to local authorities to spend on the range of services they provide), the position is far less clear cut as it is not possible to separately identify the allocations which authorities have historically made to fund concessionary travel. The DfT identify a two stage process for removing formula grant, but the critical consideration for the Council will be that this process does not perpetuate or reinforce the funding deficiencies which we have experienced since April 2008.
- 3.5 Of the possible changes being proposed for concessionary travel, officers would recommend against the option of it remaining a District Council responsibility. Whilst there may be some advantages in moving responsibility to central government, this would involve very significant organisational changes and, as the consultation document itself points out, would remove considerable sums in formula grant from the local government system which might have unintended consequences. On balance, therefore, officers would support the principle of

transferring responsibility to upper tier authorities on the proviso that the funding implications of doing so were very carefully calculated and consulted upon.

- 3.6 Members are therefore asked to indicate which option, if any, they wish the Council to support.
- 3.7 It should be noted that because the intended implementation date of any amendments to the scheme will be April 2011, lobbying of DfT is continuing with the aim of securing change in the grant formula for 2010/11 which would reduce the impact on the Council's finances.

#### **4.0 FINANCIAL IMPLICATIONS**

- 4.1 As already indicated in 3.4 above the consultation document acknowledges the difficulties associated in transferring the funding from District Councils instead to County Councils. In the consultation document itself it states that 'This is why this consultation focuses on the principle of who should administer concessionary travel rather than the funding implications of any change.' Nevertheless the consultation document does discuss the possible mechanisms by which funding could be transferred.
- 4.2 The transfer of the Special Grant funding from districts would be relatively simple because the amount payable to each authority is easily identified and this amount would simply no longer be paid. However the formula grant of districts also includes an element of funding for concessionary travel and it is this amount that is difficult to identify individually. In the consultation document CLG discuss two possible options for the transfer of this funding. The first option which is the one favoured by CLG, suggests that the transfer of funding is linked to the actual level of spend. The second option in the consultation paper simply talks about 'some other distribution' means is used. The first option is preferable because by being based upon actual levels of spend it should be both fairer and more transparent, although any changes to the formula grant element will need to be properly consulted on.
- 4.3 Scrutiny Economy considered the government's consultation proposals on the administration of the concessionary fares scheme at its meeting on 11 June. The Committee felt that it was preferable to pass the function to transportation authorities, but that, as this was a strategic issue, Executive's views should be sought on the Department for Transport's proposals.

#### **5.0 RECOMMENDATION**

- 5.1 That Members note the contents of this report.
- 5.2 That Members decide how they wish officers to respond to the government's consultation on the future administration of concessionary travel.

**ROGER COOMBES**  
**HEAD OF PARKING, ENGINEERING AND BUSINESS SUPPORT**

**ECONOMY & DEVELOPMENT DIRECTORATE**

**Local Government (Access to Information) Act 1972 (as amended)**

***Background papers used in compiling this report:-***

None

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## EXETER CITY COUNCIL

EXECUTIVE  
29 JUNE 2009

### SUSTAINABLE COMMUNITIES ACT 2007 - PROPOSALS

#### 1 PURPOSE OF REPORT

- 1.1 To consider proposals received in response to the Sustainable Communities Act 2007.

#### 2 BACKGROUND

- 2.1 Executive on 9 December 2008 received a report informing them of the provisions of the Sustainable Communities Act 2007. The Act offers local authorities and communities the opportunity to put forward proposals that enhance the economic, social and environmental sustainability of their area. It starts from the principle that local people know best what needs to be done to promote the sustainability of their area, but that sometimes they need central government to act to enable them to do so. The Act provides a channel for local people and the councils which represent them to ask central government to take such action. Executive agreed that the Council should participate in the initiative and publicise information on the website.
- 2.2 Following Executive, information on the Act together with a proposal form was included on the Council's website and leaflets were produced for distribution. The closing date for submissions was 18 May 2009.

#### 3 SUBMISSION OF PROPOSALS

- 3.1 The Council received five proposals in response to the Act, four of which were from the Transition Exeter Transport Group and a fifth, which duplicated one of the other proposals, was received from an individual member of the public. The proposals relate to:

- Bikes on rural buses
- To equate city centre parking and bus fares
- Integrated transport
- Non domestic rates on store car parking charges (two identical proposals)

Brief details of all proposals are attached as Appendix A to the report. The full proposal forms have been circulated to members of Executive and can be viewed on the Council's website.

- 3.2 A panel comprising 11 members of the public met on 27 May to consider the proposals. Seven members of the Panel were representative of 'communities of interest', three members were drawn from the Council's Consultation Volunteers database of people keen to engage with the Council and one member was identified through third sector contacts who may be underrepresented in 'civic and political activity'. Representatives of Transition Exeter Transport Group presented their proposals and the Panel were invited to ask questions and seek clarification on the issues raised. The meeting was chaired by Councillor Laura Newton, Portfolio Holder

for Housing and Social Inclusion and attended by Councillor Wadham, Portfolio Holder for Sustainable Development and Transport.

- 3.3 The Panel supported two of the four proposals to go forward to the Executive and the Local Government Association (LGA), which has been appointed as “Selector” by the Government. The proposals were evaluated as follows:
- (i) The proposal to have bikes on rural buses was supported subject to consultation with bus operators and related partners taking place prior to submission to the LGA.
  - (ii) The Panel decided that the proposal to ‘equate city centre parking and bus fares’ should not go through the SCA process but be addressed locally.
  - (iii) The proposal for an Integrated transport system overseen by Exeter City Council was unanimously supported in principle, but the Panel suggested that it needed to be further developed giving more time for consultation with the relevant partners and therefore should not be submitted on this occasion but at a later date.
  - (iv) The proposal for Non domestic rates on store car parking spaces received unanimous support with amendments to give discounts for adherence to sustainable community priorities.
- 3.4 The Director Economy and Development has reviewed the four proposals and his comments are included at Annex 1 to this paper. In brief, his evaluation of the proposals is as follows:
- (i) Bikes on Rural Buses – likely to stand more chance of acceptance and have greater practical value if targeted on specific routes (with leisure destinations) and backed by grants rather than seeking to proceed by compulsion.
  - (ii) Equate City Centre Parking Charges and Bus Fares – this proposal will produce substantial adverse side effects and should not be pursued. The concerns are set out in detail in the Annex.
  - (iii) Integrated Transport – in principle a very desirable objective but requiring major legislative, institutional and financial changes which are likely to be opposed by the operating companies and by key government departments.
  - (iv) Charging Non Domestic Rates on Store Car Parking Spaces – probably misconceived (rates are already levied) and intended as seeking to introduce parking charges. Very sound objective that should be supported but the notion of discounts for use of local produce would be impractical and open to fraud.
- 3.5 Subject to formal endorsement by Executive, the proposals will be submitted to the LGA Selector Panel. If Executive decides not to support the proposals, it should provide reasons for its decision. The Selector Panel, made up of Councillors from the four parties represented on the LGA, will consider the proposals alongside all the others received nationally and submit a shortlist to the Secretary of State for Communities and Local Government. There is no appeals process in relation to decisions of the Selector Panel but proposals not short-listed can be revised and re-submitted in response to later rounds of invitation from the Secretary of State.

3.6 The final decision on proposals rests with the Secretary of State for Communities and Local Government who will cooperate with the Selector in trying to reach agreement on proposals. The Secretary of State is required to publish reasons for her decisions and an Action Plan on how proposals will be implemented.

#### **4 RECOMMENDED**

Executive is requested:

- 4.1 to note the views of the Sustainable Communities Act Panel in respect of the proposals submitted;
- 4.2 to consider whether to support the submission of the following two proposals made under the Sustainable Communities Act 2007 to the Local Government Association Selector Panel:
  - Bikes on rural buses
  - Non domestic rates on store car parking spaces
- 4.3 to indicate reasons for their decision, should Executive decide not to progress either of the two proposals; and
- 4.4 (i) to ask the proposers to undertake further work on the Integrated Transport proposal and (ii) to continue to set parking tariffs through the established mechanism of the annual review process.

ASSISTANT CHIEF EXECUTIVE

CHIEF EXECUTIVE'S DEPARTMENT

**Local Government (Access to Information) Act 1985 (as amended)**

**Background papers used in compiling this report:-**

Project proposal forms

17 June 2009

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**Sustainable Communities Act 2007**

**Proposal Summary Form**

**Date of Panel Meeting: Wednesday 27 May 2009**

**Name of proposer or organisation**

Transition Exeter Transport Group

**Summary of proposal**

Bikes on rural buses - Ensure that all buses in rural areas must be capable of carrying at least two bikes.

**Details of Consultation carried out**

Discussions have taken place at the Exeter Transport Conference 9/5/09 where the proposal was supported. Further discussion is required with local bus operators and Devon County Council's Public transport team and their cycling specialists.

**Officers Comments**

Such facilities are common on rural buses in Austria and Germany. In England they have been provided experimentally in various locations including in Devon. The experience previously has been that there were significant difficulties over liability for the carriage of bikes and thus concerns of drivers, trades unions and operating companies were difficult to overcome. The benefits listed in the attached proposal form are probably over-stated – it would be hard to argue convincingly that this facility will improve organic food production! The primary beneficiaries will be urban residents wanting to use their bikes for leisure journeys in rural areas. Key issues to be addressed are: what constitutes a 'rural' service – is the proposal intended to apply to all services running beyond the Exeter boundary; is it realistic to impose such a duty on bus operators, without grant aid, given the minimal prospects of increased revenue; what liability issues are there around the carriage of bikes and who would carry that liability; how would operators' concerns over the impact on timekeeping be addressed (drivers will have to leave their cab and secure the bike on the rack safely) if this is intended as a commuter facility?

**Panel Questions/Comments/Further information**

- Rural areas are not well served by buses – this proposal will enable people to make use of existing transport systems by being able to cycle to bus stops.
- This proposal would promote both essential and leisure use.
- There should be space for four bikes in order to accommodate a family.
- Initial costs to be met by bus company and charges for use should be kept to a minimum.
- Concerns over booking spaces in advance of journey to secure a space. A scheme in Brecon Beacons was carrying larger number of bikes so no pre-booking was required.
- It would inevitably have an impact on time of journeys to allow time to secure bike to rack.
- Bus drivers should be consulted to identify most appropriate way of managing this proposal.

**Supported/Not Supported by Panel and reasons**

The panel supported the proposal subject to appropriate consultation with bus operators and other related partners, that four bike racks be provided on rural buses, and that any charges are kept to a minimum.

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## Sustainable Communities Act 2007

## Proposal Summary Form

Date of Panel Meeting: Wednesday 27 May 2009

Name of proposer or organisation

Transition Exeter Transport Group

## Summary of proposal

Equate city centre parking and bus fares – Require Exeter City Council to set minimum city centre parking charges to equate with return bus fares from the outskirts of the city.

## Details of Consultation carried out

This proposal was one of those suggested by the Exeter Traffic Reduction Group.

The proposal was supported at the Exeter Transport Conference 09/05/09.

## Officers Comments

The proposal suggests that city centre parking charges should be legally required to be no less than a return bus fare from the outskirts of the City. Two sample return fares are:

Alphington to City Centre	:	£3.30
Pinhoe to City Centre	:	£3.50

On street parking charges are currently:

0-30 minutes	:	£0.70
30-60 minutes	:	£1.20

Off street parking charges are currently:

	Premium City Centre Car Parks (excl. Guildhall)	Other City Centre Car Parks
Under 1 hour	£1.00	£0.80
1 – 2 hours	£2.00	£1.30
2 – 3 hours	£3.00	£2.20

The proposal would result in increases in on street parking charges of up to 500% and off street parking charges of 350% for premium city centre car parks and up to 440% for other city centre car parks. To maintain price differentials for longer stays, such action would have a major effect across all tariffs. Members should note the Net income from car parks is 70% of Council Tax income – any radical policy change could put at risk the stability of this key income source.

Whilst satisfying a long standing campaigning objective of various local transport/environmental groups, the adoption of such a policy would have a major adverse impact on city centre activity. For off street parking, stays of less than 3 hours comprise 80% of total car park usage. It would be naïve to believe that equating car park tariffs and bus fares will simply result in car users switching to bus. Some car users will switch but many

will still perceive the 'generalised cost' of bus use (actual costs plus time costs) to be significantly greater than travelling by car, so will not switch modes. A more likely outcome is that those with discretion over their destination will switch to other neighbouring centres to conduct their business. There are therefore major risks with such a simplistic policy that the competitiveness of the city centre will be undermined.

The claimed benefits are likely to be illusory with higher levels of car use more likely as people travel to neighbouring centres with greater fuel usage and business stagnation leading to job losses in Exeter.

In conclusion, the City Council should continue to set parking tariffs on the same basis as previously – endeavouring to balance economic, environmental and financial objectives.

#### **Panel Questions/Comments**

- Is there a need for new legislation as ECC and DCC set parking charges already?
- Will private car park companies be included? It was suggested they should be.
- Can Stagecoach be asked to explain why their fares are so expensive? This proposal should give them an incentive to reduce fares if more people were using buses.
- Costs of running a car and how many people in each car should be taken into account.
- Could be counter productive in other regions as not all areas suffer from expensive bus fares.

#### **Supported/Not Supported by Panel and reasons**

Not supported via SCA but support for this to be taken forward at a local level and address through the Well-being Power in conjunction with Devon County Council.

## Sustainable Communities Act 2007

## Proposal Summary Form

Date of Panel Meeting: Wednesday 27 May 2009

Name of proposer or organisation

Transition Exeter Transport Group

**Summary of proposal**

Integrated transport – Legislation enabling Exeter City Council to take responsibility for providing an integrated transport system in the local area.

**Details of Consultation carried out**

Discussions have taken place at the Exeter Transport Conference (9/5/09) and proposal approved by Campaign for Better Transport Exeter group.

**Officers Comments**

The proposal envisages a system of franchising local bus services, subsidising fares, creating an integrated ticketing system and co-ordination of bus and rail services. It also, in effect, proposes making the City Council a highway authority in order to plan and deliver this integrated system.

The benefits of a fully integrated and co-ordinated public transport system have long been argued by transport planners and many local authority Members. The key stumbling blocks are as follows:

- The 1985 Transport Act is grounded on the notion that most bus services will be provided by private operators; that local authorities will commission a residual collection of socially necessary bus services; and that fares are set by the market.
- Both the Office of Fair Trading and the Competition Commission have been much more concerned to ensure there is open and transparent competition between modes of transport rather than co-ordination.
- Any franchising system with fares set below current levels will require big increases in revenue support funding.
- The major UK bus operators have consistently opposed any significant amendments to the statutory framework.

On the current boundaries of the City and with only County Councils (and Unitaries) designated as Highway Authorities, an Exeter City focused co-ordination role would not deliver what the proposers are seeking. Either the creation of an Exeter Unitary on a wider boundary or a lead responsibility for Devon County Council would be a necessity for effectiveness within any changed framework for local transport.

In terms of taking this forward it would require the full involvement of Devon County Council and, whilst consultation with operators would be sensible, it is unlikely that their support would be forthcoming. The Chamber of Commerce, Federation of Small Businesses and Passenger User Groups would all be important consultees.

### **Panel Questions/Comments**

- How would local authorities achieve the complexities around such a scheme?
- The scheme could give local people greater power to have their say about transport needs.
- There may be a barrier engaging Stagecoach and other operators nationally but the model does run successfully in some areas.
- If bus services were returned to local authorities, they could decide on service frequency, fares and integration issues.
- If integration does not include rail, what would happen if they change a service? More research needed.
- Integrated transport systems generally rely on significant state investment.
- A lot more consultation to do before taking forward to SCA at a later round.

### **Supported/Not Supported by Panel and reasons**

Unanimous support for this idea, but request that it is further developed with more consultation with relevant partners and brought back to next SCA panel in three months time. Prepare for submission to next round of SCA.

**Sustainable Communities Act 2007**

**Proposal Summary Form**

**Date of Panel Meeting: Wednesday 27 May 2009**

**Name of proposer or organisation**

Transition Exeter Transport Group

**Summary of proposal**

Non domestic rates on store car parking spaces – Enable the council to levy non domestic rates on store car parking spaces – this would support local shops and local producers, and discourage car use.

**Details of Consultation carried out**

Discussions have taken place at the Exeter Transport Conference.

**Officers Comments**

Non Domestic rates are charged on all non domestic property. The rateable value of any such property is calculated by assessing the value of the commercial floorspace and the value of the car parking that is provided with it. All income from non domestic rates is collected by the City Council and passed to the government. It is slightly unclear whether the proposal is really intended to seek 'repatriation' of this non domestic rate income or to introduce charges for parking at stores. If the intention is the former, then this is a policy which has long been advocated by the City Council and the LGA but it will have no impact on travel demand. From the content of the form, it would appear that the intended purpose is to enforce charging for out of town store parking. This is, in principle, a measure which the Council should support as a means of levelling up the playing field between in and out of town shopping and car and non car modes. A proposal to introduce this nationally was floated in the late 1990s but was heavily opposed by the supermarket operators and subsequently dropped by government. It would need primary legislation to introduce this. The proposal that 'discounts' be offered to stores sourcing 30% of their goods from within 30 miles of Exeter (which are not first transported to a distribution centre more than 30 miles away) would in practice be unworkable. A large bureaucracy would be needed to verify any such claims which would have very significant scope for fraudulent claims.

**Panel Questions/Comments**

- What difference will this proposal make to Exeter – could any income be ring-fenced for other 'green-schemes' in Exeter? Should this be part of the proposal?
- Could an environmental tax be imposed, with reduced rates for environmentally friendly materials used in car parks, tree planting or selling local produce.

**Supported/Not Supported by Panel and reasons**

Unanimous support for this to be taken forward through SCA process. Consider ring-fencing options for Exeter at a later date.

Adapt to reduce rates if environmental and local sustainability issues addressed, eg locally sourced goods, environmental features etc.

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## EXETER CITY COUNCIL

EXECUTIVE  
29 JUNE 2007

### PLACE SURVEY 2008 RESULTS

#### 1.0 PURPOSE OF REPORT

- 1.1 To inform the Executive of the results of the national Place Survey conducted in Autumn 2008.

#### 2.0 BACKGROUND

- 2.1 A postal survey was conducted during September to November 2008 in accordance with the CLG guidelines for the Place Survey. A copy of the survey is included in the full report. The Place Survey is the replacement for the Best Value Indicator Survey (BVPI) which was conducted in 2000, 2003 and 2006. Due to considerable change in the design of the survey and a focus on area rather than organisation there is limited comparability to the BVPI 2006.
- 2.2 The objective of the survey was to measure satisfaction with public services in Exeter. All local authorities were required to undertake this survey.
- 2.3 The Council sent out 4,000 surveys to addresses selected at random across the city. The total number of completed questionnaires was 1,764 out of 4,000 giving a response rate of 44% this is almost identical to that achieved in 2006 with the BVPI survey.
- 2.4 This report focuses on the key findings. The full report compares the findings with previous data, where comparable, from the 2006 survey. The satisfaction scores quoted in this report correspond to the percentage sum of the people who were either very satisfied or satisfied with the service provided.
- 2.5 The survey provides the data for a number of the statutory national indicators (NIs) and these NIs are noted in the full report.
- 2.6 The Audit Commission has not yet published the national results for the Place Survey so comparative data for all the survey questions with similar councils is not available. Once it is available the Devon Consultation group is planning to do a benchmarking exercise to share data.

#### 3.0 SUMMARY OF RESULTS

- 3.1 The key issues for local people in what makes somewhere a good place to live and what things need most improving have proved relatively consistent over the life of the BVPI and Place surveys.

**Top five most important in making Exeter a good place to live**

- The level of crime 62%
  - Clean streets 39.7%
  - Health services 38.1%
  - Affordable decent housing 36.2%
  - Parks and open spaces 34.1%
- 3.2 This indicates the importance of the cleaner, greener, safer agenda promoted by the Local Government Association which has consistently been shown across a range of surveys to be key in influencing public satisfaction. It also indicates the need for partnership working at Local Strategic Partnership (LSP) level to address the issues of place.
- 3.3 **The top five things that most need improving in Exeter**
- The level of traffic congestion 55.4%
  - Road and pavement repairs 41.4%
  - Activities for teenagers 36.6%
  - Affordable decent housing 27.8%
  - Wage levels and cost of living 27.6%
- 3.4 This again shows the consistent level of concern over three key areas of service which are provided by Devon County Council. This has hardly changed since 2006. Issues around housing and the economy which are two of the City Council's key priorities show some change. Housing has seen a significant fall in the percentage of people seeing this as an area for improvement and wage levels entered the top five for the first time since 2000 indicating the level of concern around the current recession.
- 3.5 Overall, it should be noted that satisfaction with Exeter as a place to live is high at 83.6% and has risen slightly since 2006. Views around sense of place are split with just under half of people feeling affinity with their immediate neighbourhood and just over half not feeling it. However, other survey work conducted by Ipsos MORI in 2008 for the City Council showed that there is a high affinity level with the city.
- 3.6 The questions around public services in the Place Survey are differently worded from previous years in that they focus on views about the effectiveness and satisfaction with public services rather than specifically about the Council as was the case in the BVPI surveys. This reflects the government's emphasis on the area rather than the agency.
- 3.7 Public services are generally thought to be effective on the cleaner, greener agenda (66.9%), on the safer agenda (57%) and on delivering equality (51.7%). People were less convinced however that the agencies promote the interests (36.5%) and act on the concerns (37.8%) of the local residents. This would suggest that there is a greater need for the public services in the city to engage with local people.
- 3.8 Satisfaction with public services in the city appears to be quite high with fire and rescue (80.4%), GPs (81.4%) and hospitals (86.4%) all scoring well. Dentists scored 64%, the police scored 62.5%, the City Council 55.1% and lastly Devon

County Council 46.8%. The latter two scores were also reflected in the value for money ratings which saw 40% of respondents agree that the City Council provided value against only 31.1% agreeing that the County Council did.

- 3.9 This is backed up with the findings in the report on providing information and on local decision making. In 2006 43% of people felt well informed by the City Council however in the new survey which asks about how well informed people feel about public services the score is considerably lower at 37.4%. Other survey work conducted by the City Council in 2008 suggests that people still feel well informed about City Council services so this may be less a reflection on the City Council's communications than on those of other partners.
- 3.10 There has been a significant fall in the percentage of people feeling they have influence over decisions from 38.1% in 2006 to 28.2% in 2009. At the same time the percentage of people wanting to be involved in decision making generally has fallen slightly from 24.7% to 21.1% but the percentage of people wanting to be involved in specific decisions about issues they care about has risen from 56.1% in 2006 to 67.1% in 2009. This suggests there is a real appetite for community engagement and involvement but that people need to be engaged on their terms and on specific issues rather than general policies.
- 3.11 In the section of the survey which deals specifically with services provided by the City Council and County Council within Exeter it is clear as in previous surveys that people's satisfaction with individual services is often higher than with the organisations as a whole.
- Refuse collection 81.9%
  - Doorstep recycling 72.9%
  - Parks and open spaces 72.5%
  - *Local tips and household waste recycling centres (DCC) 70.6%*
  - Keeping land clear of litter and refuse 63.6%
  - *Libraries (DCC) 66%*
  - *Local Bus services (DCC) 54.2%*
  - Sports and leisure facilities 54.1%
  - Museums and galleries 49.5%
  - *Local transport information (DCC) 47.7%*
  - Theatres and concert halls 41%
- 3.12 It is noted that the relatively poor score for museums which was a significant fall from 2006 is likely to be due to the closure of the Royal Albert Memorial Museum since 2007 for major refurbishment.
- 3.13 The survey also looked at a range of issues around community cohesion. There was a very slight fall in the percentage of people who agree that people from different backgrounds get on well together from 83.5% in 2006 to 79.6% in 2009. However, there was a very encouraging improvement in the percentage of people who say that people treating each other with respect is not a problem from 56.8% in 2006 to 72.3% in 2009. The majority (77.3%) of people felt they were treated with respect by their public services.

- 3.14 Community safety was covered for the first time in the Place survey. The findings are in line with previous survey work conducted by the City Council in this area although the findings are not directly comparable. Although 89.5% of people felt safe in their local area in daylight this fell sharply at night to 55.7%.
- 3.15 When asked about aspects of anti social behaviour such as noise, rowdiness, and vandalism there was a general across the board fall in the percentage of people identifying them as problems with particularly sharp falls in concern around teenagers hanging around (down 17.4%), rubbish and litter (down 14.8%) and drug taking (down 11.1%). However, there is an issue in that people don't feel that the police and local public services seek people's views about anti social behaviour and crime in their local area with only 19.3% feeling involved and only 26.5% feeling the police and public services are successful in tackling the agenda.
- 3.16 Overall the Place Survey presents a positive picture of people's perceptions of living in Exeter and their views about public services. There is clearly some work to do in relation to making people feel better informed and engaged with their public services which needs to be tackled alongside public service partners.

#### **4.0 NEXT STEPS**

- 4.1 A detailed analysis of the findings of the report by age, gender and ward will be undertaken during the summer and the results provided to SMT/Heads of Service for use in service planning.

#### **5.0 RECOMMENDATIONS**

- 5.1 It is recommended that the Executive note the report.

ASSISTANT CHIEF EXECUTIVE

CHIEF EXECUTIVE'S DEPARTMENT

#### **Local Government (Access to information) Act 1985 (as amended) Background papers used in compiling this report:**

Place Survey full report.

## EXETER CITY COUNCIL

EXECUTIVE  
29 JUNE 2009

### WAVELENGTH 19 - SURVEY RESULTS

#### 1.0 PURPOSE OF REPORT

- 1.1 To inform the Executive of the results of the Wavelength 19 survey conducted in April 2009

#### 2.0 BACKGROUND

- 2.1 The nineteenth survey covered six areas: The objectives of the survey were

- Sport and exercise - To measure the level of recreational activity
- Museum & gallery - To measure the level of museum and art gallery attendance
- Parks, playing fields and allotment - To identify usage and pattern of use for parks, playing fields and allotments
- Customer Service - To measure satisfaction with the Customer Service Centre and understand the nature of user's visits
- Community involvement – To gain further insight into local decision making and community involvement
- Community Forum – to explore ways of making the community forum more attractive to audiences

- 2.2 In total **601** forms were returned from **915** forms sent out. This is a return rate of **65.7%**

- 2.3 This is the fifth survey conducted with the current Wavelength panel. The panel is representative of the city for gender and for ward population but is slightly skewed towards the older groups. To compensate for this a weighting has been applied to ensure the percentage figures reported are reflective of the city's population.

#### 3.0 SUMMARY OF RESULTS

##### 3.1 Sport and exercise

The survey asked a number of similar questions to those used in the Sport England Active People survey which was conducted in 2007/8 with the intention of tracking people's participation levels.

The key findings within this section are:

- Walking was the most popular activity (46.4%) followed by gym/exercise classes (28.2%) and swimming (22.1%)
- Over two thirds (69.5%) of the activities cited caused the participant to be breathless or break sweat

- Over half of respondents (56.5%) said that they took part in a sporting or recreational activity for more than 12 days in the previous four weeks

### 3.2 **Museum and gallery attendance**

These questions focused on usage of museums and art galleries and were specifically asked to monitor participation in these areas whilst the Royal Albert Memorial Museum (RAMM) is closed and a RAMM - out and about programme is running in the library and community venues.

The key findings within this section are:

- The majority of respondents (62.6%) had visited a gallery or museum in the last 12 months
- Female respondents were more likely to visit than males
- A small percentage (14%) had attended a RAMM out and about event in last 12 months

### 3.3 **Parks, playing fields and allotments**

The parks and playing fields questions explored the activities people undertake in the facilities and the changes in use between the spring/summer and autumn/winter periods. They also looked at the impact parks and playing fields have on people's lifestyle choices. This information will be used to improve and target the marketing of events and activities within the facilities.

The key findings are:

- Walking is the most popular activity, with over three quarters of respondents using the park at least monthly.
- Picnicking, cycling and running are also popular
- All activities are less popular in autumn/winter than in spring/summer although dog walking and walking only fall slightly.
- The most popular sporting activities within parks were cycling (spring/summer 37.7% and autumn/winter 25%) running (spring/summer 24.2% and autumn/winter 21.5%) and tennis (spring/summer 13.8% and autumn/winter 2.3%)
- Age clearly influences the reason for using parks with nearly 40% of the 55-74s visiting for the floral displays and 20% of 25-44s visiting the free events
- Parks, play areas and allotments have an influence over lifestyle choices for a significant minority of respondents such as choice of place to live, walking and cycling routes and fitness activities

### 3.4 **Customer services**

Since the Customer Service Centre (CSC) opened in 2005 periodic tracking questions have been undertaken and the continuous monitoring provided by the Govmetric system has recently been introduced. The results from this section show that:

- Levels of satisfaction with service are high
- The main reason for visiting CSC is to make a payment (38.3%) followed

by general enquiries (29.6%), handing in documents (28.8%) and collecting information (28.8%)

- The majority (82.6%) felt that they were dealt with efficiently and 80.1% described the service as good.
- Male respondents are more likely to describe the service as good than female respondents

### 3.5 **Local decision making and participation**

The results for this area of work in the Place Survey (2008) were slightly disappointing and therefore additional research has been carried out to help the Council better understand the issues. This work will be fed into the review of community involvement being undertaken. The results from the questions in W19 show that:

- Wavelength panellists feel more informed about how to get involved in local decision-making than the people in the Place survey (38.2% vs 28.3%)
- A majority of people (59.3%) said they were not aware of their local groups and 39.4% said they lacked time to get involved
- In terms of getting involved, 26.2% of respondents said they would like to be more involved in decision-making; this figure is higher than in the Place survey (21.1%)
- Interest in participation is largely dependant on the issue/subject being dealt with as recorded in the Place Survey
- 

### 3.6 The survey also asked about people's involvement in their communities and the results show that:

- There are low levels of participation in local community groups
- Although 61.9% were aware of who their councillor was, there is a large minority who are unaware of who their councillor is or how to contact them.
- Age clearly influences awareness of the local councillor with older people being more aware additionally men are far more likely to be aware of their councillor than women, these findings reflect trends previously noted

### 3.7 To ensure the Council provides information to people around this issue in the most effective way people were asked about how they would like to get information about getting involved. The Exeter Citizen is the most favoured method for getting council information (74.9%) followed by local newspapers on 48.4%.

### 3.8 The survey also repeated the overall satisfaction with the Council question from the Place Survey. Levels of satisfaction with Exeter City Council (62.6%) are higher in this survey than those demonstrated in Place Survey (55.7%). This may suggest that people who are more engaged with the Council tend to view it more positively.

### 3.9 **Community Forum**

The community forum is being reviewed as part of the overall review of community involvement. The questions asked here are part of a wider consultation to help understand what type of event would be most attractive to audiences. The results below show that:

- Guildhall was the favoured option for the vast majority (72.6%)
- There was a large majority (62.8%) in favour of evening meetings
- Older respondents (55+) were more likely to prefer an afternoon
- There was a small majority in favour of changing the format to allow people to drop-in as and when they wished
- The most popular format was to have forums based around a theme (56.2%) followed by question time style (26.8%)

### 4.0 **NEXT STEPS**

4.1 Some more detailed analysis of the questions around sport and exercise will be conducted for the Head of Leisure and Museums. The customer service findings will be used to benchmark the service in the Customer Service Centre, the parks and open spaces findings to improve marketing of the service and the findings from the sections around local decision- making and community forums will feed into the review of community involvement

4.2 As part of the commitment to the Wavelength Panel, a short newsletter giving the results of this questionnaire and indicating how the Council is addressing the issues will be produced. In addition an article will be run in the September 2009 edition of the Exeter Citizen and the results posted on the website and on the intranet.

### 5.0 **RECOMMENDATIONS**

5.1 It is recommended that the Executive note the report.

ASSISTANT CHIEF EXECUTIVE

CHIEF EXECUTIVE'S DEPARTMENT

**Local Government (Access to information) Act 1985 (as amended)**  
**Background papers used in compiling this report:**

Wavelength 19 full report.

## EXETER CITY COUNCIL

**EXECUTIVE  
29 JUNE 2009**

### **HIGHWAYS AGENCY PROPOSALS FOR JUNCTION 29 OF THE M5 AND THE A30 TRUNK ROAD**

#### **1.0 PURPOSE OF REPORT**

- 1.1 This report advises Members of the current consultation by the Highways Agency on improvements to the M5/A30 junction.

#### **2.0 INFORMATION**

- 2.1 The Highways Agency have now published their draft Orders for the proposed modifications to Junction 29 of the M5 and to the A30. These Orders are the mechanism by which the Secretary of State for Transport obtains consent to proceed with a range of highway alterations rather than seeking planning consent, which would be the case if this was a local authority scheme.
- 2.2 The proposals arise from the various developments that form part of the Exeter and East Devon New Growth Point which comprise the following key elements:
- o the Science Park adjacent to Junction 29
  - o the new community at Cranbrook, further along the A30
  - o the business park development at Skypark
  - o the intermodal rail freight facility
  - o the expansion of Exeter Airport
- 2.3 A range of transport infrastructure improvements are necessary to ensure that these schemes are a success and the most critical of these is to address the limitations of Junction 29. As Members are aware, capacity at this junction is limited and, indeed, there is no provision for traffic leaving Exeter to join the M5 south bound at Junction 29. Furthermore, the development of the Science Park requires significant alterations to current access which is a rural road, in order to accommodate the development which is envisaged over the next 20 years.
- 2.4 The proposals have been developed over the last three years with design work undertaken by Devon County Council on behalf of the New Growth Point, and supported by the Highways Agency as the authority responsible for the trunk road and motorway network. The outline proposals were initially the subject of consultation some two years ago and in April 2008 the whole package of infrastructure measures associated with the New Growth Point were the subject of exhibitions in Clyst Honiton and Sowton Villages.
- 2.5 The current stage of design development involves the publication of draft Orders and the opportunity for the public to comment on those Orders by 13 August 2009. Copies of the Environmental Statement and the published Orders for the proposals are available for inspection for an eight week period at the Highways Agency offices in Sowton, the County Council's Area Office, County Hall, the Central Library and at East Devon District Council's offices. A leaflet which summarises the proposals and the options considered is attached to this paper.

- 2.6 Members are asked to consider expressing their support for this package of proposals given that the implementation of a range of transportation infrastructure improvements is essential to delivery of the key projects in the New Growth Point. The alterations to Junction 29 will of themselves have minimal environmental impact, although the creation of the new highway layout to the east of Junction 29 to facilitate Science Park access and to enable traffic to head south from Exeter will have a significant impact on the landscape of Redhayes Park. The design has been carefully evaluated and amended to limit that impact whilst still meeting engineering and safety standards. Alternative schemes have been evaluated and found to be inadequate in achieving long term access needs to the area.

### **3.0 RECOMMENDATION**

- 3.1 It is recommended that Members express their strong support for these proposals to help deliver the future prosperity of Exeter and the sub region.

**JOHN RIGBY**  
**DIRECTOR ECONOMY AND DEVELOPMENT**

**ECONOMY & DEVELOPMENT DIRECTORATE**

**Local Government (Access to Information) Act 1972 (as amended)**

***Background papers used in compiling this report:-***

None

By virtue of paragraph(s) 3 of Part 1 of Schedule 12A of the Local Government Act 1972.

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