

SCRUTINY COMMITTEE - ECONOMY

12 March 2009

Present:

Councillor Margaret Baldwin (Chair)

Councillors Gale, P J Brock, Coates, A Hannaford, Martin, Noble, Sheldon, Starling, Wardle and Winterbottom

Director Economy and Development, Head of Economy and Tourism and Member Services Officer (SLS)

Also present:

Councillor Peter Wadham - Portfolio Holder for Sustainable Development and Transport

Councillor Stella Brock - Portfolio Holder for Economy and Tourism

9 **Declarations of Interest**

The following personal interest was declared:-

COUNCILLOR	MINUTE
Councillor Coates	(13) Member of Friends of Exeter Festival and Exeter Arts Council

10 **Extending Support for Small Businesses**

Councillor Bond attended the meeting and spoke on this item having given notice under Standing Order 44.

Councillor Bond welcomed this excellent support, but suggested caution should be exercised by the Council to ensure they made no significant increase in their commercial rents or parking charges, without considering the impact any additional financial burden would have on both local business and visitors to the city. The Director Economy and Development responded to the points raised, stating they were mindful of the consequences of any actions which resulted in reduction in revenue given the effect this would have on other parts of the service. He added that there had only been a modest increase to car parking tariffs and the Council did not have sufficient influence on commercial rents, as these were set by the market and the Council owned only a very small proportion of retail outlets. The Estates team continues to take an active management role with regular dialogue with business tenants. The City Council had no influence on business rates which are set by national legislation and the revenue goes directly to Government.

The Head of Economy and Tourism presented the report informing Members of a proposal to extend the available support in Exeter for small businesses. Exeter Business Support was formed as a partnership to help both new and existing businesses to grow and survive. This proposal includes a shared investment between the partners involved offering new businesses early access to professional support and advice. This support would also take advantage of reduced fees for such

specialist and professional advice, and should be particularly beneficial during this difficult economic climate.

A Member sought reassurance that a modest scale of charges would be used for the specialist advice, with some control over which business actually received support. The Head of Economy and Tourism advised that every effort would be made to ensure that appropriate but not generous recruitment rates were offered, but the scale of charges would vary with the level of professional advice. The Council and Business Link advisers would determine who was eligible, and feedback on the activities would be reported formally through Committee. The wider breadth of support would exceed the service previously provided, with the main focus on encouraging a higher take-up of affordable specialist advice by business in need of early intervention before any problem became insurmountable.

The Director reported on the outcome of the first of a series of regular meetings looking at the impact of the recession attended by both the public and private sector, including leaders of the business community. The intention is to continue to work more closely together to mitigate the impact of the current economic downturn with regular communication and the formation of an agreed action plan.

Scrutiny Committee – Economy supported the proposal to extend the services of Exeter Business Support to help small businesses in Exeter survive and grow.

(Report circulated)

11 Declarations of Interest

12 Update on the Exeter Visitor/Tourism Strategy 2007-2010

The Head of Economy and Tourism presented the report updating Members on progress of the implementation of the Exeter Visitor/Tourism Strategy covering the period 2007-2010. He outlined the scope of the Strategy and highlighted an important aspect of working with a range of partners outside of the city's boundaries. An appendix to the report provided a full summary of progress made on delivering key outcomes, under each of the priorities of the Exeter Visitor/Tourism Strategy. Also attached was a set of key performance indicators which provided a basis for monitoring trends and the effectiveness of the action plan. A Member welcomed this partnership work and hoped that the accompanying marketing made every effort to encourage a wide spectrum of visitors as possible, including families.

The Director responded to a number of comments including the consideration given to the impact of visitors and the funding of the national concessionary fares scheme. The Head of Economy and Tourism also responded to the suggestion of a tourist pass, and introduction of a combined entrance pass offering a reduced rate to the 'heritage' attractions in the city. He hoped to be able to provide more information on this shortly. A Member congratulated the combined efforts of the Economic Development team and the Exeter Visitor Information and Tickets (EVIT) for their excellent work in promoting Exeter. He welcomed further partnership working and acknowledged the influence of the Tourism Forum which had provided an opportunity for the city's tourism partners to meet and share ideas.

Scrutiny Committee – Economy noted the progress made with implementing the 2007-2010 Exeter Visitor/Tourism Strategy.

(Report circulated)

13 Update Report on Service Economies

The Director Economy and Development presented the report advising Members of progress on the identification and implementation of service economies for the Scrutiny Economy budget. A previous report in November had highlighted operational economies within the Archaeological Field Unit, followed by a report to the Executive in January when a revised structure was approved. He confirmed that Tim Gent, an existing Project Manager in the AFU, had been appointed as the new Head of the Unit and had taken up the post immediately. Other interviews for the senior and middle levels of staff were taking place.

The report also contained an appendix which set out a number of other budget economies, which had been approved as part of the budget setting process.

Scrutiny Committee – Economy noted the report.

(Report circulated)

14 Arts and Media Strategy Update

Councillor Coates declared a personal interest as a Member of the Friends of Exeter Festival and the Exeter Arts Council.

The Head of Economy and Tourism updated Members on the progress of the Arts and Media Strategy, with particular reference to setting out the plan for the various festivals during the next financial year. The Arts and Media Working Group had reconvened and discussed the future funding arrangements of the festivals portfolio. They considered a number of proposals including changing the future funding arrangement for Animated Exeter. The challenge remained to identify sufficient funds to look at developing Animated Exeter into what could in effect be an arms length company, but there was some work still to do on this. A Member welcomed this progress as the Animated Exeter still had the most potential for further development, provided additional partnership funding could be identified.

Scrutiny Committee – Economy noted the report.

(Report circulated)

15 Economy Stewardship to December 2008

The Director Economy and Development presented the report advising Members of any forecast variations to the budget in the financial year 2008/09. The report highlighted the differences by management unit to the outturn forecast for the year compared with the annual approved budget. An improved variation of the overall net expenditure was reported, in part due to staff savings and higher rental income than was expected and completion of a number of lease renewals. The projected deficit related to the national concessionary fares scheme with a significant increase in costs for the City Council remained a concern. Other areas for comment included a shortfall in planning fee and car parking income which had both fallen below budgeted expectations due to the current economic climate. The Director also clarified the financial arrangement between the City and County Councils for off and on street parking.

Scrutiny Committee - Economy noted the report.

(Report circulated)

16 **National Performance Indicator Results 2007/2008 - How Exeter's Results Compare**

The Director Economy and Development presented the report, setting out an overview of the performance of those services covered by this Scrutiny Committee. A full analysis of Exeter's performance indicator results for 2007/08 was sent to Members under separate cover.

Although the report was retrospective, there was some concern that the targets for the current year would not be achieved. A number of initiatives have been put in place including a protocol for dealing with major applications as well as a management review of planning applications on a fortnightly basis. A Member suggested the dip in performance could also be due to officers providing a dedicated service. The Director welcomed the comments but reiterated that there remained a performance management issue which was being addressed. Scrutiny Committee – Economy noted the report.

(Report circulated)

17 **Review of Business**

The Director Economy and Development presented a report which contained the proposed detail of the structure of business for Scrutiny Committee – Economy. The format included a regular series of reports with a thematic approach. Members were invited to comment or make suggestions for future reports now or at any stage throughout the year.

Members received the report.

(Report circulated)

The meeting commenced at 5.30 pm and closed at 7.00 pm

Chair