

## SCRUTINY COMMITTEE - ECONOMY

3 September 2009

### Present:

Councillor Margaret Baldwin (Chair)

Councillors Gale, Coates, A Hannaford, Martin, Robson, Sheldon, Shiel, P A Smith, Starling and Wardle

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

### Also present:

Councillor Peter Wadham                      Portfolio Holder for Sustainable Development and Transport

Councillor Rob Newby                        Member attending under Standing Order 45

### 30      **Minutes**

The minutes of the meeting held on 11 June 2009 were taken as read and signed by the Chair as correct.

### 31      **Declarations of Interest**

No declarations of interest were made.

## **MATTERS FOR CONSIDERATION BY SCRUTINY COMMITTEE - ECONOMY**

### 32      **Motion to Withdraw Sunday Car Parking Charges**

Councillor Newby attended the meeting, and spoke on this item under Standing Order 45.

The report of the Head of Parking, Engineering and Business Support was presented, and sought the views of Members of the Scrutiny Committee – Economy, following referral of a Motion submitted to Council on 14 July 2009 by Councillor Newby. He had called for the withdrawal of Sunday charges in all of the City Council car parks in an effort to help combat the effects of the recession on the local economy.

The Director outlined the financial implications of such an action and the challenging budgetary position currently faced by the City Council. He advised that if the revenue from the Sunday tariff were removed, then other proposals would have to be brought forward to address a predicted shortfall of approximately £150,000. He outlined the procedure stating that, should there be Member support for the Motion, the matter would be referred to Executive for a final decision.

Councillor Newby commented on a number of issues, which he felt made his Motion a valid proposition, including the impact of vacant units in the city centre; the lack of a Sunday Park and Ride service and a past example of when car parking charges were removed on some Sundays preceding Christmas 2008. He had also spoken to the Chair of the Exeter Chamber of Commerce, who supported his stance and who asked if there might be a repeat of the free Sunday Christmas parking this year.

The Director responded to the points raised, advising that last year's suspension of tariffs in a number of car parks on three Sundays preceding Christmas, related to a VAT reduction, and was a one off initiative. The Park and Ride Scheme was operated by Devon County Council, and Stagecoach and there was no Sunday Park and Ride service from Matford, due to the weekly Sunday Market and Car Boot sale. He also confirmed that officers had made an accurate survey of the number of vacant retail units in the city centre, which was still running at 8% of all units, which compared favourably nationally with other cities.

During a lengthy discussion, Members expressed a mix of views for and against the proposal and made the following comments:-

- Actual detail of the research evidence relating to parking charges would have been useful.
- There appeared to be some inconsistency in the measures that could help the local economy, and the long term effectiveness of the funding of the recent recession initiatives which had been possible despite the current financial position.
- Recognition that Sunday was now a day of trade, so perhaps this was the opportunity to address the level of public transport available on Sundays.
- Even if car parking charges were removed, corresponding trade levels might not increase, and it was still national retailers who traded predominantly on Sundays as opposed to local businesses.
- It was no longer appropriate to have any different arrangements for Sunday parking, which was now part of the seven day week of trading.
- Withdrawing Sunday car parking charges could create more confusion.

The Director indicated that a regular comparison of the city's car parking charges was made with other comparable cities.

Scrutiny Committee - Economy Members noted the report and supported their comments being reported to the Executive to enable them to reach an informed decision.

(Report circulated)

### **33 Transportation Initiatives and Issues - Update**

The joint report of the Projects and Business Manager and Head of Parking, Engineering and Business Support updated Members in relation to transportation initiatives and issues affecting Exeter.

The report covered a range of topics, and acknowledged that the responsibility for transport rested with a number of organisations including Devon County Council, the Highways Agency and the Department for Transport. Apart from specific responsibilities listed in the report, the City Council's role included influencing others to ensure that Exeter's interests were safeguarded.

The report provided an update on DCC's major scheme bids relating to Exeter including the high quality public transport bid; bus services and concessionary fares; cycling, walking and rail services. Members were advised that Network Rail were tasked with producing a Route Utilisation Strategy (RUS) for all aspects of its network. A copy of the consultation draft for the Great Western Region had been received, which set out future infrastructure proposals for the coming years. Members would be given the opportunity to contribute to the Council's response to

the consultation, and a report containing the relevant parts would be made to the next meeting of the Scrutiny Committee - Economy in November.

The funding of concessionary bus fares remained a challenging issue for Exeter City Council and officers and Members continued to negotiate with the Department for Transport in an effort to improve the poor financial settlement imposed on us. A Member commented on the proposed referral by The Office of Fair Trading to the Competition Commission, in respect of the bus industry and he hoped that the City Council might be able to offer some evidence. The Director advised that a report covering the issues would be presented to the next Scrutiny Economy meeting.

Officers responded to a number of comments on the local rail services, the capacity of the infrastructure of the Exeter to Exmouth line, and the challenges faced in respect of the developments at the former Royal Naval Depot site and at Monkerton. Costed proposals were required from rail operators in order that contributions could be sought from developers. Members commented on the effectiveness of the real time information system operating at bus stops, and officers agreed to pass on the comments to the County Council.

Scrutiny Committee – Economy noted the report and reaffirmed their continued support for the initiatives designed to encourage more sustainable travel.

(Report circulated)

#### 34 **Economy Update**

The Head of Economy and Tourism presented an update on the trends in the national, regional and local economy. A detailed report on the impact of the recession on Exeter was included in an appendix to the report. Although the pressure on the availability of funding for key initiatives continued, the priority remained to pursue the delivery of those key initiatives which are the future economic drivers for Exeter and the sub region, such as the Science Park, Skypark, the Flybe Skills Academy and also the new community at Cranbrook. In response to a comment on the Local Authority Business Growth Incentives Scheme (LABGI) funding reported at the last meeting, it was still too early to calculate the impact of the package of anti-recession measures, but any outcomes would be reported to a future meeting.

A Member referred to the recent national press reports on Exeter's retail vacancies which appeared to differ from the local picture. The Director outlined the Council's criteria for calculating retail vacancies and explained the possibility that other reports might contain figures calculated on floor space and not frontages. He reassured Members that the vacancy level remained at 49 units or 8% of the total available units, and was a reliable and accurate figure.

A Member also commented on the ongoing investment by the University of Exeter and hoped that overseas student levels would remain high, despite the growing competition in this area. The Head of Economy and Tourism stated that although the rate of increase in unemployment had halted in recent months, it was quite likely that unemployment would continue to rise for some months yet, even after business and consumer confidence and spending in the south west will have been seen to rise.

Members noted the report and that a report detailing only the key economic changes would be made to the November meeting.

(Report circulated)

**35 Update on Arts and Media Strategy 2009 - 2012 - Action Plan**

The report of the Head of Economy and Tourism was presented, and provided Members with an update of the Arts and Media Action Plan, outlining how the outcomes from the Action Plan might be achieved in the light of the current and impending budgetary constraints. The key areas for action in line with the revised action plan were highlighted. The report also included the outcomes achieved to date.

Planning the funding and delivery of much of the festivals and events portfolio and grants to strategic arts organisations remained a challenge, but new work in partnership for particular festival events should endeavour to address this. A Member referred to the contribution made by the recent Respect Festival and he welcomed the cross-coordination and commitment between the City Council's directorates and wider community groups. This latest Festival was an excellent event, which brought in a wider audience and had created a model for the future. He supported the view that the priority should be to maintain support for the strategic arts organisations where possible. The Head of Economy and Tourism responded to a question on the bid application for Animated Exeter and advised that a bid had been made, but there was an eight week wait to hear the outcome. In any case every effort would be made to look for a greater contribution from the County Council for the educational elements, as Animated Exeter had been working with schools well beyond their and our remit.

Scrutiny Committee – Economy supported the revision of the Arts and Media Strategy Action Plan 2009 - 2012, including the revised key areas for action as outlined in Section 4 of the report.

(Report circulated)

**PERFORMANCE MONITORING**

**36 Economy Scrutiny Stewardship to June 2009**

The Director Economy and Development presented the report advising Members of the overall financial performance of the Economy and Development Directorate for the first three months of the financial year 2009/10, for the period up to 30 June 2009. Details of the main variations were set out.

There were a number of areas of concern, including income from car parking, which was currently below the budgeted figure with no sign that levels of car parking will increase and the ongoing downturn in the economy has meant that planning fee income had fallen below target. A further issue related to the income levels achieved by the Archaeological Field Unit, which was lower than projected. Competition in this area remained significant, and this coupled with the lack of developments being progressed were now having an impact. A report will be made to the Executive to discuss a number of options to address this.

Scrutiny Committee – Economy noted the report.

(Report circulated)

The meeting commenced at 5.30 pm and closed at 7.15 pm

Chair