

SCRUTINY COMMITTEE - ECONOMY

13 November 2008

Present:

Councillor Margaret Baldwin (Chair)

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

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

Also present:

Councillor Wadham Portfolio Holder for Sustainable Development and Transport

Councillor Mrs S R Brock Portfolio Holder for Economy and Tourism

36 **Declarations of Interest**

The following personal interests were declared:-

COUNCILLOR	MINUTE
Councillor Martin	37 (resident of Heavitree)
Councillor Gale	38(wife is an employee at the Northcott Theatre)
Councillor P J Brock	39 (Member of Devon County Council)
Councillor Martin	39 Employee of Devon County Council)
Councillor Sheldon	39 (resident in Heavitree)
Councillor Prowse	39 (resident on Topsham Road)
Councillor Martin	41 (representative of the Haven Banks Outdoor Education Centre)

37 **Half Yearly Reports of Portfolio Holders**

Councillor Wadham and Councillor Mrs S R Brock presented progress reports on the priorities within the respective Sustainable Development and Transport Portfolio and Economy and Tourism Portfolios.

Councillor Martin declared a personal interest as a resident of Heavitree in respect of the discussion on the Environmental Enhancements for Heavitree.

Sustainable Development and Transport Portfolio

- **Long Term Spatial Strategy** - The Council has now responded to the Secretary of State's proposed modifications to the Regional Spatial Strategy expressing concerns about the capacity of the city to accommodate the scale of growth envisaged.
- **Affordable Housing** – The introduction of a 35% affordable housing standard awaits completion of work on viability. Any conclusion will be reflected in the Core Strategy due to go out for consultation next year.

- **Climate Change** - The Planning team continue to raise the need to meet higher standards of construction and insulation with developers. The level of construction activity is relatively low at present. Arrangements to bring together Planning and Building Control are set out in the staffing report on this agenda.
- **Environmental Enhancements** – Work on the Fore Street, Heavitree enhancement programme continues and design work for the enhancement of Cowick Street has begun. Planning Member Working Group agreed that Martin's Lane would be a priority for this year with proposals for Gandy Street and Fore Street to follow.
- **Debenhams and the Bus Station Site** - Progress on the former Debenhams building has slowed reflecting current market conditions. A Height and Massing Study has been completed for the Bus Station site.
- **Signing** – A new pedestrian signing system will be implemented from December and completed by February. It was noted that the quality of the signage was very high.
- **Demand Management** - The commitment remains for closer working with the County Council on the Major Schemes Bid to improve highway infrastructure and public transport in Exeter, including a consultation exercise for a proposed Park and Ride on a site on the west side of the city.
- **Civil Parking Enforcement** - This is now in place and Members should see the benefits from the increased level of enforcement.

It was noted that a copy of this report would be appended to the Minutes.

The Director gave the following responses to Members' questions.

- Despite the current economic climate, commercial negotiations continue for the former Debenhams site, and for retail provision to the lower floors, but residential use on the upper floors would be difficult to achieve in the current market. Members will be invited to comment as soon as a scheme is forthcoming.
- Recent press reports have suggested that the new development at Cranbrook will be delayed, however a package of funding for a coordinated transport infrastructure by 2009 is in place. Cranbrook Station should be delivered with funding from the RDA Regional Infrastructure Fund and it is still the intention of Network Rail to build the new passing loop at Axminster by 2009. There is regular dialogue with the rail companies, but the Director advised that he would speak to the County Council's Deputy Director of Environment, Economy & Culture for further reassurance of the anticipated timetable.

Economy and Tourism Portfolio

- **City Centre Regeneration** – We continue working with Land Securities to deliver the Debenhams building, as well as developing a Master Plan for the Bus Station.
- **Street Markets** – To continue with a programme of markets including the Farmers' Market, Continental, Italian and Christmas Gift markets.
- **Tourism Promotion** – We are reviewing plans to improve the Quay House Visitor and Information facility.
- **Regenerating the Canal Basin** - Work on 14 Affordable Housing Units near 60 Haven Road is progressing and the Haven Road Link Road is due to go out to tender shortly. Any further work at the Canal Basin head is on hold until the economic situation improves.
- **Economic Development Strategy** – The consultants have nearly completed their work in updating the Strategy, and Scrutiny Economy has agreed both the Strategy and Action Plan at its September meeting.

- **Science Park** - The Master Plan has been completed and the Science Park Partnership is currently preparing an outline planning application and specification for the first building on site.
- **Delivering Other Employment Sites** - We will continue working with the development sector to identify new sites and the Council's Core Strategy which will help identify additional sites will also be published shortly.
- **Improving Skills** - The Employment and Skills Board has met to look at improving the links with business, education and training providers. A pilot to link training provision to career paths locally in professional and business services is being developed.
- **Renewing the Arts Strategy** - An Arts and Media Strategy working group has been established to help review the Arts Strategy for the Council. The Strategy will be completed early in the New Year.
- **Making best use of our Property Portfolio** - To continue to manage the portfolio in the most efficient and effective way.

Councillor Mrs Brock gave the following responses to Members' questions.

- A Fair Trade Market is provisionally arranged for 28 February at Fore Street/South Street.
- Economic activity will continue to be monitored carefully.

MATTER FOR CONSIDERATION BY SCRUTINY COMMITTEE - ECONOMY

38 Festivals Review 2008

Councillor Gale declared a personal interest as his wife is an employee at the Northcott Theatre.

The report of the Head of Economy and Tourism provided a review on the performance of the portfolio of the four main festivals - the Autumn Festival 2007, Animated Exeter, Vibraphonic and the Summer Festival 2008. He also reported on the progress of the forthcoming consultation for the draft Arts and Media Strategy for Exeter 2008 - 2011, the results of which will be reported back to Members in February.

A Member welcomed the opportunity to look at each Festival in detail, particularly as he was involved in the Autumn Festival's opening event. He was anxious that the unique identity of Animated Exeter was not lost or subsumed into another festival. Vibraphonic had also created opportunities for new activities, including working with schools and developing more links within the community. A Member supported the individual profile of each of Exeter's Festivals and particularly the distinctive characteristics of Animated Exeter and added that if Exeter was going to thrive as a cultural centre, it did have to offer something that was distinctive. He felt there was a very real danger that a combination of factors such as the current economic situation, a shortfall of both funding and lack of sponsorship might mean that significant economies would have to be made in the future.

Scrutiny Committee- Economy noted Members' comments on the performance of the festivals' portfolio, and gave their support for the future programme of improvement and broad content of events for 2009.

(Report circulated)

Devon County Council's Transportation Proposals for the Exeter Principal Urban Area

Councillor P Brock declared a personal interest as a Member of Devon County Council. Councillor Martin declared a personal interest as an employee of Devon County Council. Councillor Sheldon declared a personal interest as he lives in Heavitree.

Councillor Prowse attended under Standing Order 44 to speak on this item. (He also declared a personal interest as he lives on Topsham Road)

The report of the Director Economy and Development advised Members of the County Council's progress in preparing a major schemes bid for transportation enhancements in the city to help tackle congestion and improve air quality. This latest package of schemes will take the process to the second stage of funding which had to be submitted by March 2009. A number of improvements included addressing the flow of outbound traffic from the city centre at pinch points such as Exe Bridges, Haven Road Junction and Alphington Cross. There was also a proposal for a new Park and Ride site on the west of the city and additional outbound lanes on the Topsham Road and Bridge Road corridor as well as a shared footway and cycleway. Although Devon County Council is the delivering authority, we will be consulted for elements of a number of these proposals. The work is likely to cost in the region of £35 million and will raise a number of significant issues and in particular related to the proposed park and ride site. There will also be an opportunity to comment on the Bridge Road corridor scheme as some of the land is in City Council ownership. He responded to a Member comment that the design and materials of the pedestrian and cycle structures at the river crossings were crucial and required sensitive handling.

Councillor Prowse spoke to Members as he was concerned about the extent and validity of the consultation process. He advised that details of the proposed schemes had been reported in the local press and were also set out by the County Council's Chief Engineer, as an urgent item at a recent Highways and Traffic Orders Committee (HATOC) meeting. He had been unable to speak at the meeting, and was advised to make his comments as part of the consultation process. The Director clarified that this report had been placed on the Scrutiny Economy agenda to allow Members an opportunity to comment on the principle of the proposals.

He responded to a number of comments

- There were no further plans for the Heavitree corridor.
- The emphasis of the proposals was on outbound capacity; the proposals would also benefit public transport.
- The reduction in the through running of a number of services operated by South West Trains from Waterloo to Torbay at the end of 2009 was a major source of concern. The Portfolio Holder for Sustainable Development and Transport and the County Council have made representations to the Department of Transport (DfT) and we are waiting for them to come forward with a solution.
- Although the Park and Ride plan was light on detail, there was scope for some significant landscaping for the site to soften the impact.
- Members were assured that a number of options to improve traffic flow at Countess Wear roundabout have been assessed, but have proved too costly. There would be active dialogue with the County and City Councils and local residents.

- The need to have adequate signage for the cycle routes had been raised with the County Council.

Scrutiny Committee – Economy noted the report and Members gave their support to the Devon County Council’s funding bid for the proposed Exeter Principal Urban Area Package Scheme.

(Report circulated)

40 **Risk Management**

The report of the Head of Audit was submitted advising Members of the risks identified relating to the areas within the remit of this Committee, and of the actions proposed and taken to mitigate the risks concerned. The Director referred to the three key risk areas for the Directorate: the cost of concessionary fares; car parks income; and the risk and threat of flooding. It was noted that when duties and measures relating to the Pitt report are enacted, there will be a new set of obligations on local Councils.

Scrutiny Committee – Economy:

- (1) noted the risks relating to the areas within its remit; and
- (2) supported ongoing monitoring to ensure that the risk register remains current and risk assessments are valid, that proposed mitigating action is taken by the agreed target dates.

(Report circulated)

41 **Capital Programme Monitoring report (Half Year)**

Councillor Martin declared a personal interest as a representative of the Haven Banks Outdoor Education Centre.

The Director Economy and Development presented the report advising Members of the latest position with regard to the 2008/09 Capital Programme for Economy. The report highlighted a number of schemes.

A Member welcomed the imaginative plans for the Haven Banks Outdoor Education Centre and enquired if the City Council would be making a contribution. The Head of Estates confirmed that the County scheme as presented, did include certain Exeter City Council facilities identified in the Master Plan for the Canal Basin, the provision of and funding for would need to be the subject of further discussion. The County was expected to pursue a variety of funding options for the scheme. The Member also enquired about the possibility of public toilets on the Quay. The Head of Estates advised this has been included in a draft design, but further negotiations would be required to establish if provision here was feasible. A Member requested wide consultation for the plans.

Scrutiny Committee - Economy noted the contents of the report and the Capital Programme for the first half year of 2008/09 for the Economy and Development Directorate.

(Report circulated)

42 Economy Stewardship to September 2008

The report of the Head of Treasury Services was submitted advising Members of any forecast variations to the budget in financial year 2008/09.

The Director referred to a number of issues which were affecting the budget including the concessionary fares scheme, which had created a major shortfall for the City Council. The scheme was laudable, but the distribution of funding for the scheme was inequitable. Representations have been made to the Department of Transport (DfT) along with up to 20 'hub' authorities who are equally affected.

Scrutiny Committee – Economy noted the contents of the report.

(Report circulated)

43 Key Performance Indicators

The report of the Director Economy and Development was submitted advising Members on the current position on key performance indicators. He referred to a number of external factors which meant that the required target for determining planning applications had not been met. A new system was being brought in through a Major Applications Protocol which had been approved recently by Planning Member Working Group. This would provide a much more structured approach to managing major applications.

Scrutiny Committee - Economy noted the contents of the report.

(Report circulated)

44 Property Performance Indicators

The Head of Estates presented a report informing Members of the position regarding the Council's performance on Property Performance Indicators (PPIs) and to establish further targets for those indicators for 2008/09.

A Member enquired about the available capacity of the Council's property assets. The Head of Estates advised that disposals across the property portfolio had in previous years already funded a full programme of projects for the Council. Existing assets were held strategically to enable development schemes to be brought forward or were revenue generators, where disposal would adversely affect revenue budgets.

Scrutiny Committee – Economy noted the report on Property Performance Indicators and adopted the targets for 2008/09.

(Report circulated)

45 Property Voids and Debts

The Head of Estates submitted a report which informed Members of the City Council's commercial portfolio regarding void properties as at 30 September 2008 and debts for the four quarters ending on the September 2008 quarter day. In terms of debt collection, for the period to 30 September, this remains at less than 1% outstanding of the total originally invoiced.

A Member commented on the progress of the Beacon Heath Surgery, and the Head of Estates confirmed that this was primarily a matter between the PCT and the practice intending to develop the site.

Scrutiny Committee – Economy noted the contents of the report.

(Report circulated)

46 **Local Government (Access to Information) Act 1985 - Exclusion of the Press and Public**

RESOLVED that, under Section 100A (4) of the Local Government Act 1972, the press and public be excluded from the meeting for the consideration of the following item on the grounds that it involved the likely disclosure of exempt information as defined in paragraph 1 of Part 1, Schedule 12A of the Act.

MATTERS FOR CONSIDERATION BY EXECUTIVE

47 **Review of the Management Structure in the Economy and Development Directorate**

The report of the Director Economy and Development was submitted and outlined a number of proposed changes in the management structure of Economy & Development designed to provide a better integration of key services, to address (in part) reducing income and to make efficiency savings where feasible. This report also fulfils the commitment to Members, made in the Spring of this year, to bring forward a detailed structure for the Civil Parking Enforcement function for approval.

Scrutiny Committee – Economy supported that Executive agree the following proposals that:-

- (1) the revised Economy & Development management structure be agreed;
- (2) the revised Establishment for the Directorate be approved for implementation on 1 December 2008;
- (3) the Directorate's budgets be amended accordingly, and
- (4) a further report on a number of outstanding issues be submitted to the January Scrutiny Committee – Economy meeting for Member consideration.

(Report circulated to Members)

The meeting commenced at 5.30 pm and closed at 7.50 pm

Chair

This page is intentionally left blank

SCRUTINY ECONOMY COMMITTEE 13 NOVEMBER 2008

Sustainable Development and Transport Portfolio Programme for 2008/09

NB: The ordinary typeface is the June report and the italicised text is the update for this meeting.

Long Term Spatial Strategy

Our biggest challenge will be accommodating the growth in the City's population envisaged by the government. The Secretary of State's modifications to the Regional Spatial Strategy are expected by the end of July and we will need to weigh up our response to that. Whatever the detail, a substantial level of growth will need to be accommodated. We will bring forward the revised Local Development Framework Core Strategy by the year end so that the key parts of the City's future growth can be set out for public response. At the same time we will continue to work closely with East Devon and Devon County Council in delivering our commitments for the New Growth Point.

The Council has now responded to the Secretary of State's proposed modifications to the Regional Spatial Strategy expressing concerns about the capacity of the City to accommodate the scale of growth envisaged. We are bringing forward revisions to our emerging Core Strategy during November/December and then consulting the public in the Spring. Participation in work to deliver the New Growth Point project continues to be a major commitment.

Affordable Housing

We believe an increase in the target and dropping of the threshold are now overdue. We will include the enhanced 35% standard and the lower threshold in the revised Core Strategy.

Progress on introducing the 35% standard needs to await the completion of work on viability, which is difficult in current conditions. Any conclusions will be reflected in the Core Strategy when it goes out for consultation next year.

Climate Change

We will use the planning system to push developers to meet higher standards of construction and insulation and to raise renewables provision. We will be ensuring that Planning and Building Control work closely together to underpin this.

The Planning team continue to raise the need to meet higher standards of construction and insulation with developers. The level of activity is, as would be expected, relatively low at the moment. We are putting in place arrangements to bring together Planning and Building Control as set out in the paper accompanying this agenda.

Environmental Enhancements

We will be implementing the Fore Street, Heavitree enhancement this Summer with Devon County Council and preparing plans for the enhancement of Cowick Street. There are a range of other improvements focused on the City Centre: Paris Street/Sidwell Street will be completed shortly; proposals for Martin's Lane re-paving

will be brought forward shortly; and we will start considering, with Devon County Council, what other enhancements to secondary City Centre streets are justified.

Work at Heavitree Fore Street will be completed by Christmas and we have begun to design work on a concept for Cowick Street. Our main concern is to get the owners of the St Thomas Centre onboard and we are in dialogue with them. Planning Member Working Group has agreed that Martin's Lane should be a principal priority for this year and we are looking to bring forward other proposals for Gandy Street and Fore Street.

Debenhams and the Bus Station Site

Our priority will be to ensure a high quality re-modelling of the exterior of Debenhams and to ensure it is brought back into use as quickly as possible. We will also put in place the essential background work for preparing a Master Plan for the bus station site and delivering a high quality bus interchange at the heart of the scheme.

Progress on the former Debenhams building has slowed reflecting current market conditions. With regard to the Bus Station, we have now completed work on the Height and Massing Study and Executive recently agreed to fund studies relating to Archaeology, Parking and Transportation as a precursor to preparing a Master Plan for the site.

Signing

We endorse the proposed new pedestrian signing system and will work with Devon to implement it this Autumn.

A new pedestrian signing system is being implemented from December with work outside the City Centre initially and the City Centre installation work starting in the New Year. Completion of these works will be by February.

Demand Management

We are committed to working with the County Council to find a package of measures that will limit the growth in car traffic and ensure reasonable air quality. Park and Ride expansion is one of the key measures we need to take and our focus this year will be on the A30 Western approach. We will continue to support the Cycling Demonstration Town Project, Walking Strategy and TravelSmart project.

We continue to work closely with the County Council on their Major Schemes Bid to improve highway infrastructure and public transport in the key growth areas of the City. Consultation on a Park and Ride site on the west side of the City has been taking place.

Civil Parking Enforcement

This has been a major project which has seen the transfer of the Traffic Warden function to the City Council and the complete re-casting of the statutory basis for enforcement and of the whole parking function. The transfer has gone comparatively smoothly so far and I'm pleased that people in residents' parking areas are seeing proper enforcement for the first time. If you have any issues, please let me know.

The team is now fully up to complement and Members have hopefully seen an improvement in the level of evening enforcement which was of the greatest concern. Please let me know if you have any issues that need addressing.

Councillor Peter Wadham
Portfolio Holder Sustainable Development and Transport