Exeter City Council

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AGENDA FOR
EXETER CITY COUNCIL
SCRUTINY COMMITTEE - ECONOMY

The Scrutiny Committee - Economy will meet on **THURSDAY 21 JANUARY 2010**, commencing at **5.30 pm,** in the Rennes Room, Civic Centre, Paris Street, Exeter to consider the following business. If you have an enquiry regarding any items on this agenda, please contact Sharon Sissons, Member Services Officer on **Exeter 265115.**

Entry to the Civic Centre can be gained through the Customer Service Centre, Paris Street.

Pages

Part I: Items suggested for discussion with the press and public present

1 **MINUTES**

To sign the minutes of the meeting held on 12 November 2009.

2 **DECLARATIONS OF INTEREST**

Councillors are reminded of the need to declare personal and prejudicial interests, including the nature and extent of such interests, in relation to business on the agenda, before any discussion takes place on the item. Councillors requiring clarification should seek the advice of the Monitoring Officer prior to the day of the meeting.

3 **EXCLUSION OF PRESS AND PUBLIC**

To pass the following resolution:-

RECOMMENDED that, under Section 100A (4) of the Local Government Act 1972, the press and public be excluded from the meeting for the consideration of item 10 on the grounds that it involves the likely disclosure of exempt information as defined in paragraphs 1 and 2 of Part 1 of Schedule 12A of the Act.

4 **QUESTIONS FROM THE PUBLIC UNDER STANDING ORDER 19**

A period of up to 15 minutes should be set aside to deal with questions to the Committee from members of the public.

Details of questions should be notified to the Assistant Chief Executive at least three working days prior to the meeting. Further information and a copy of the procedure are available from Member Services (Exeter 265115) and also on the Council web site http://www.exeter.gov.uk/scrutinyquestions

5 **QUESTIONS FROM MEMBERS OF THE COUNCIL UNDER STANDING ORDER 20**

To receive questions from Members of the Council to appropriate Portfolio Holders.

MATTERS FOR CONSIDERATION BY SCRUTINY COMMITTEE - ECONOMY

6 **ARCHAEOLOGICAL RESEARCH PROGRESS**

To consider the report of the Head of Exeter Archaeology – *report circulated* 1 - 4

7 **ECONOMY UPDATE**

To consider a report of the Head of Economy and Tourism – *report circulated* 5 - 8

ESTIMATES, FEES AND CHARGES AND CAPITAL BIDS

8 **2010/11 BUDGET ESTIMATES**

9 - 40

Paper One – Revenue Estimates 2010/11 (9 – 34)
Paper Two – Fees and Charges 2010/11 (35 – 38)
Paper Three – Capital Programme 2010/11 and Future Years (39 – 40)

To consider the report of the Director Economy and Development – *report circulated*

MATTER FOR CONSIDERATION BY THE EXECUTIVE

9 **REDUCING CARBON EMISSIONS IN EXETER: THE ROLE OF PLANNING AND TRANSPORTATION STRATEGY**

The Role of Planning and Transportation Strategy:Summary (41-44) 41 - 102
Paper One – Overview (45– 52)

Paper Two – Land Use Planning (53 – 78)
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Paper Four – City Centre (95 – 102)

To consider the report of the Director Economy and Development – *report circulated*

MATTER FOR CONSIDERATION BY THE EXECUTIVE

PART II: ITEM SUGGESTED FOR DISCUSSION WITH THE PRESS AND PUBLIC EXCLUDED

10 **SERVICE REVIEW OF PLANNING**

To consider the joint report of the Director Economy and Development and Head of Planning and Building Control on a proposed change in the structure– *report circulated to Members* 103 - 120

DATE OF NEXT MEETING

The next **Scrutiny Committee - Economy** will be held on Thursday 11 March 2010 5.30 pm

FUTURE BUSINESS

The schedule of future business proposed for this Scrutiny Committee and other Committees of the Council can be viewed on the following link to the Council's website:http://www.exeter.gov.uk/forwardplan
Councillors can view a hard copy of the schedule in the Members Room.

Membership -
Councillors M A Baldwin (Chair), Gale (Deputy Chair), P J Brock, Coates, A Hannaford, Martin, Noble, Robson, Sheldon, Shiel, P A Smith, Starling and Wardle

Find out more about Exeter City Council services by looking at our web site *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.

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EXETER CITY COUNCIL

SCRUTINY COMMITTEE - ECONOMY
21 JANUARY 2010

ARCHAEOLOGICAL RESEARCH PROGRESS

1.0 PURPOSE OF REPORT

1.1 This report advises Members on:

- recent changes within Exeter Archaeology;
- progress with archaeology reports and projects funded from the Economy and Tourism budget; and
- information relating to archaeological projects carried out in the city for both ECC and external clients.

2.0 RECENT CHANGES TO EXETER ARCHAEOLOGY

2.1 In response to a downturn in business and reciprocal drop in income, in large part the result of the recession, Members approved a restructuring of EA in the spring of 2009, reducing core staff numbers from 31 to 21. At the November 24th meeting, in response to continued concerns over anticipated income, Executive agreed a further staff restructure, with numbers reduced from 21 to 15, all through voluntary redundancy. As a result of these changes, anticipated completion of all projects funded from the Economy and Tourism budget has not been possible, although significant advances have been made.

2.2 Methods to deal with City Council obligations to publication backlog, outstanding Scheduled Monument Consent projects and archive deposition, identified in the report to Members of 29th September, have been agreed with relevant archaeological curators including English Heritage, with additional funding approved by Executive and offered by English Heritage and Devon County Council.

3.0 ECONOMY AND TOURISM FUNDED WORK

Work to date

3.1 The purpose of this programme of work is to make available, in a range of formats and media, the results of archaeological and historical investigations and research undertaken by Exeter Archaeology on behalf of the City Council on a variety of topics.

3.2 This has included:

- production of a booklet presenting the results of the Princesshay excavations to a public audience;
- contributions to the City Council 'Romans in Exeter' event;
- part production of a booklet presenting the results of the 1970s Exe Bridges excavations to a public audience;
- part production of a publication presenting the results of the 1970s Exe Bridges excavations to a public and academic audience;
- part production of a booklet presenting the development and history of the Custom House for a public audience.

Costs of the production of booklets can, at least in significant part, be offset through sales. Modest sales of the Princesshay booklet have already been made.

4.0 PROJECTS FUNDED BY OTHER CLIENTS

4.1 It is intended to report more fully on the work of Exeter Archaeology at the meeting, and therefore only a summary written account is provided. 2009 has been an extremely difficult year for Exeter Archaeology, with major restructuring of the organisation resulting from the dual impact of the recession and significant increases in competition from other commercial companies. However significant work has been undertaken both within the city and throughout the Southwest.

4.2 A significant body of fieldwork was undertaken at the former Royal Naval Stores Depot for the housing developer Persimmons, exposing significant prehistoric remains. Work to publish the results is underway.

4.3 At the time of writing, the signing of a major contract to undertake the excavation of the Roman remains at former St Loye's College site is anticipated within the next few days. If secured, this will provide a very welcome income stream over the next 12 months.

4.4 Outside the City, Exeter Archaeology made significant discoveries early in the year at the Roman fort at Calstock, Cornwall. Work has continued throughout this year, funded by English Heritage, to complete the assessment of the results, and an application been made to the same body to fund the full analysis and publication of the results. A funding application has also been submitted to English Heritage to cover the study and publication of the significant late medieval pottery remains from Hemyock. As part of this work a week of workshops for schools and the public, which included the cleaning and sorting of approximately 40,000 sherds of pottery, was well attended. Both projects are expected to bring in useful income.

4.5 Work to support Sibelco Ltd with mineral applications on SW Dartmoor has continued throughout the year, resulting in significant financial benefit.

5.0 FINANCIAL IMPLICATIONS

5.1 Exeter Archaeology operates as a direct service organisation and is anticipating a turnover of just over £600,000 for 2010/11. For Economy and Tourism projects the Archaeology in Exeter budget allocation for 2010/11 is £26,000. It is proposed that in 2010/11 this will include:

- completion of a booklet presenting the results of the 1970s Exe Bridges excavations to a public audience;
- completion of a publication presenting the results of the 1970s Exe Bridges excavations to a public and academic audience;
- completion of a chapter on the medieval houses of Exeter for a publication on Westcountry houses intended for a public and academic audience;
- production of a publication of the Elizabethan inventories of Exeter for a public and academic audience; and

- completion of a booklet presenting the development and history of the Custom House for a public audience.

As noted above, costs of the production of booklets can, at least in significant part, be offset through sales. It is possible that sales of the Elizabethan inventories publication, which is likely to have an international appeal amongst an academic audience, could recover its costs.

5.2 Much of this work will be of benefit to the Tourism unit and individual interpretation projects that they are developing.

6.0 RECOMMENDED that Members:

1) note the progress being made to establish a financially viable archaeological contractor within a constrained economic environment; and

2) note the progress being made with these projects.

TIM GENT
HEAD OF EXETER ARCHAEOLOGY

ECONOMY AND DEVELOPMENT DIRECTORATE

Local Government (Access to Information) Act 1985 (as amended)
Background papers used in compiling this report:
None

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EXETER CITY COUNCIL
SCRUTINY COMMITTEE – ECONOMY

21 JANUARY 2010

ECONOMY UPDATE

1.0 PURPOSE OF REPORT

1.1 To provide Members with a brief update on the effect the recession is having in Exeter.

2.0 BACKGROUND

2.1 In November 2009, this Committee received a report proving an update on the broad effect of the recession nationally and in particular on Exeter. The November update is summarised below.

2.2 Nationally, the economy was showing some signs of recovery through improved activity – house prices and mortgage approvals were starting to increase, retail sales had shown marginal growth and manufacturing output had been growing strongly. However, economic forecasts suggested that inflation could start to rise in the short-term, growth in average earnings had remained weak, and unemployment had continued to rise affecting 2.5 million people.

2.3 The South West Regional Development Agency in their Q3 2009 report on the regional economy had indicated that cities like Exeter, with strong commuting patterns were more resilient during the recession and likely to be more able to respond to any upturn in the wider economy.

2.4 The Exeter Chamber of Commerce survey (September 2009) showed local business confidence had remained high, just below 50% reported sales increases and around 20% had seen their profit margins and cash flows improve. This picture may also have reflected the fact that the rate of bankruptcies had decreased.

2.5 Retail property vacancies in the city remained low whilst the tourism industry had seen some growth. According to South West Tourism, around 1/3rd of accommodation providers within Devon had increased numbers of visitors; the broad view being that more people within the UK chose to not holiday abroad in 2009.

2.6 The numbers claiming job seekers allowance had continued to fall since May 2009, although male unemployment rates remained higher than females, 3.5% to 1.5% respectively. Importantly, people unemployed over 6 and 12 months had continued to rise as had the rate of young people (18 to 24 years) being unemployed, accounting for nearly 34% of all claimants. Anecdotally, it appeared that more young people were choosing to go onto Exeter College than enter the job market.

2.7 Exeter had started to see a rise in average house prices in 2009, although they were still below values seen in 2008 and prices of houses for first time buyers stood at 9.3 times resident median full-time earnings. This is more likely to be due to shortage of supply rather than significant increases in demand.

2.8 Positive signs were seen in a reduction in the number of mortgage and landlord repossessions in 2009 compared with 2008 figures. Whilst data from Exeter CAB showed a slight decrease in debt and welfare benefit enquiries, they remained higher than those seen Q3 2008.

3.0 ECONOMY UPDATE

Nationally

3.1 The December 2009 edition of the Local Government Employment Digest provides a useful commentary on key aspects related to the national economy, extracts of which are set out below:

- inflation as measured by the Consumer Price Index (which excludes house prices) rose to 1.9% in November 2009, up from 1.5% in October, brought about by a rise in motor fuel prices. In 2010, the return of VAT at 17.5% may cause inflation to rise above 2%, with forecasts suggesting a decline to below 2% at the end of 2010 as economic activity is likely to remain weak throughout the year
- the economy showed continued signs of improved activity although as the economic outlook continues to remains uncertain, the Bank Rate remains held at 0.5%
- the housing market continued to show further signs of recovery in November driven by rising demand and a shortage of supply; there was a further increase in mortgage approvals in November 2009, although still 60% below 'normal market conditions'
- consumer spending was up 3.7% in November 2009 from the same period in 2008, driven perhaps by the effect of the Government's vehicle 'scrappage' scheme and household expenditure increasing prior to the return in January 2010 of the 17.5% VAT rate. It is unclear if consumer spending will be maintained at this level or more in 2010
- manufacturing output remained stable, but whist some companies are reporting steady output and order books, forecasts indicate sustained growth in 2010 is not expected.
- average earnings growth across the economy remained weak, with the average annual increase in earnings including bonuses being 1.5%
- the number of people claiming job seekers allowance (JSA) fell by over 6,000 in November to 1.63 million people (5% of the workforce); median JSA claimant count forecasts indicate a rise during 2010, reaching 1.82 million people by Q4. However of all people looking for work and defined as unemployed, the figure remained around 2.5 million (7.9% of the workforce), and in fact increased by 21,000 people between August to October 2009.

3.2 According to Thompson Reuters, the proportion of the unemployed that were out of work for more than twelve months reached 25% in November. Moreover, the number of 18 to 24 year olds in work continued to decline, whilst other age groups saw employment gains in the three months to October 2009.

Local Business

3.3 The latest Exeter Chamber survey of its membership (December 2009) continues to mainly report positive findings. The Chamber survey suggests a slight fall in those businesses reporting medium to high levels of confidence to 89% (93% in September 2009); whilst 23% reported high levels of confidence (20% in September 2009). In terms of sales, 49% reported they had increased, up from 46% in September.

3.4 Similarly, 33% of businesses surveyed reported profit margins had increased from the previous quarter (20% September 2009). Cash flow has also improved, with 33% reporting an increase, as opposed to 21% in September. Importantly 24% of firms confirmed that numbers of people employed had also increased, up from 21% in September, continuing the reported rise over the last four Chamber surveys. The percentage of employers forecasting they will take on more employees has remained broadly the same at 23% (December 2009), being 24% in September.

3.5 The rate of business insolvencies in Exeter Q3 2008 to Q3 2009 suggest that there has been no real increase in the number of companies 'choosing' to wind up (5 in Q3 2009). Regionally and nationally the number has also declined over the same period, by - 52% and - 3% respectively.

3.6 In terms of insolvencies brought about by creditor petitioned bankruptcies from suppliers seeking repayment of debt there has been no real change in the rate in Exeter over the 2008 to 2009 time frame. However, there has been an increase of 10% regionally and a 6% decrease nationally.

3.7 There was a decrease in Exeter for debtors' bankruptcy petitions – companies with outstanding debt closing down (10% less in Q3 2009 in comparison to Q3 2008), with 417 petitions up to Q3 2009. Regionally and nationally, the respective increases in 2009 on the same period for 2008 are 10% and 15%.

3.8 The recession is likely to have had an impact on the level of investment enquiries handled by the City Council. This is the first year since the investment advisory service was established in 1998 that enquiry numbers have not continued to grow markedly. During 2009, there were a total of 776 enquiries (1068 in 2008).

3.9 The percentage of enquiries from within Exeter and the Heart of Devon area remains broadly the same at 59%, with 33% originating from national and international sources. Similarly, the types of enquiry for office, retail, light industrial and hotels and restaurants has broadly remained the same, although the number industrial enquiries have declined reflecting the current nature of the market.

3.10 In terms of city centre retail property, the vacancy rate is less than 8% and re-lettings of both the City Council's own stock and units in Princesshay have been going well.

Unemployment

3.11 The unemployment rate in Exeter for October and November 2009, based on the claimant count for Job Seeker Allowance (JSA), was 2.5% (2.6% September 2009), representing 2,068 people. It is above the rate for Devon at 2.2%, but below that of Plymouth at 4%, Torbay at 4.5%, the South West at 2.9% and England and Wales at 4.1%. The numbers of live unfilled vacancies registered with Job Centre Plus have increased from 1,408 in September to 1,573 in November.

3.12 Male claimants of JSA decreased gradually in the second half of 2009. In May 2009 the number reached a peak of 1,768.In September, the figure was 1,543 and 1,471 in November 2009 (a rate of 3.5%). Female claimant numbers have also fallen from the high levels of 657 people in April 2009 to 633 in September, and 597 in November (a rate of 1.5%).

3.13 Whilst it continues to be welcome that employment opportunities continues to improve within Exeter and in the surrounding areas, there continues to be an increase in the number of people unemployed for over 6 months and also for 12 plus months, the majority of which are males.

3.14 The number of people who have been claiming for six months or longer has been rising fairly rapidly; around 25.8% for November 2009 compared to 15.8% in November 2008. Similarly, numbers of those who have been claiming for 1-2 years are up from 3.9% a year ago to 8.9% in November 2009.

3.15 Job seekers, especially lower skilled and younger claimants, are perhaps more likely to stay on benefits for longer periods. Around 685 individuals aged 18-24 years were claiming JSA in November 2009 (495 in November 2008). Whilst there has been a small drop from the September figure of 710 young claimants, young people still account for 33% of all JSA claimants, the majority being male.

3.16 In terms of the impact of unemployment on minority ethnic groups, the numbers seeking work in October 2009 has fallen to 60 people from 70 in September, but still significantly higher than the 30 recorded in August 2008.

Housing Market/Residents

3.17 House prices in Exeter have declined slightly more than seen regionally and nationally. The overall average house price for Exeter for Q3 2009 stands at £195,700, a decrease of 10.1% on average prices recorded for Q3 2008 (£217,800). In Q2 2009, the value was £197,600.

3.18 During the first 9 months of 2009, 980 properties were sold in the city. This compares with 1,062 transactions during the first 9 months of 2008, a drop of 7.7%, (1,912 for the same period in 2007, - 48.7%).

3.19 There are positive signs in housing and rental market via a continued downward trend for mortgage and landlord repossessions in Exeter in comparison to regional and national averages.

3.20 There were a total of 225 mortgage possession orders made by the courts in Exeter between Q4 2008 and Q3 2009, a decrease of - 30% on the same period for 2007-2008. Regionally and nationally, the decrease has been -21% and -23% respectively. In terms of landlord possessions there has also been a decline in Exeter over the same time period of - 25%. Regionally and nationally the decline has been -7% and -8% respectively.

3.21 Debt and welfare benefit enquiries show a mixed picture. Data for November 2009 from Exeter CAB shows a continued downward trend in the level of recorded debt related enquires, although they are still around 50% higher than in November 2008. Similarly, enquiries relating to welfare benefits are nearly 58% higher than recorded in 2008.

4.0 FINANCIAL IMPLICATIONS

4.1 There are no financial implications arising from this report**.**

5.0 RECOMMENDATION that

Members note the report.

RICHARD BALL
HEAD OF ECONOMY AND TOURISM

ECONOMY AND DEVELOPMENT DIRECTORATE

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

1. Scrutiny Committee – Economy 12 November 2009 - Economy Update

EXETER CITY COUNCIL

SCRUTINY COMMITTEE – ECONOMY
21 JANUARY 2010

2010/11 BUDGET ESTIMATES

1. Introduction

1.1 Attached are the draft estimates for 2010/11, a version of which were considered at an informal meeting of Scrutiny Economy on 16 December 2009.

1.2 This report outlines the strategic framework within which the estimates have been prepared, changes in accounting practices, which affect all budgets and detailed reasons for any significant changes in the Management Unit estimates.

2. Budget Framework

2.1 The estimates include assumptions for pay, general inflation and income as follows:

• Pay	1.5%(Including 0.5% for increments)
• Utilities	Nil
• Contracts	1.5%
• Insurance	3.0%
• Fuel	3.0%
• General Inflation	Nil (see paragraph 2.3 below)
• General Income	2.0%
• Car Park Income	2.5% (VAT only increase)
• Commercial rent	Nil

2.2 The pay settlement for the current year has been agreed at 1.0% for the majority of staff and a nil increase for senior staff. It is extremely likely that there will be pressure to limit public sector pay again next year and therefore it is felt prudent at this stage to budget next year for a pay increase of only 1.0%.

2.3 As a means of finding efficiency savings many non-pay budgets will again not be fully increased for inflation. There will be some exceptions to this in particular where there are ongoing contractual arrangements in place and where the Council has to meet the full price increase e.g. insurance and fuel. Recently released figures show that UK inflation increased in October mainly reflecting changes in fuel prices. The Consumer Prices Index (CPI) measure rose to 1.5%, up from 1.1% in September. The Retail Prices Index (RPI), the alternative measure of inflation which includes housing costs, also rose to -0.8% from -1.4%. Although the Government no longer produce targets for the RPI it is still used to determine increases in pensions, benefits and pay negotiations. The Bank of England has also said that inflation will probably go up after the temporary reduction in VAT expires in January, although inflation is then expected to fall back again. The government target for the CPI measure is 2%.

2.4 With regard to interest rates the Bank of England has put the base rate of interest on hold at only 0.5% since March 2009. Although many analysts are predicting that interest rates could start to increase next year, in the short term they are likely to remain at their historically low levels. The low levels of interest rates affect the City Council in a number of ways. On the negative side the Council has

to assume lower investment returns on cash deposits in comparison with previous years. This has also been exacerbated by the continuing lack of confidence within some parts of the banking sector. The likelihood is that investment returns will be no more than 3% in comparison with returns in excess of 6% that we have achieved in recent years. Conversely on the positive side, the lowering of interest rates also means that the cost of borrowing is now also cheaper. This is particularly important to the City Council now that it has to make use of borrowing in order to fund part of its capital programme.

2.5 The Government's Comprehensive Spending Review (CSR) that was scheduled to take place during 2009 has been postponed until after the next General Election. The CSR would have set out the Government's spending plans on all public services over the next 3 year period commencing from 2011/12. Although this decision to postpone does not impact upon the level of grant to be received next year, it does mean that planning for the medium term is made more difficult. Nevertheless, all the current indications are that after the next election, public services are likely to be set for their biggest spending cut in more than 30 years. Also, given that Health and Education are likely to remain as priority areas for government spending, the financial situation facing all district councils in particular is likely to be extremely challenging.

2.6 After many weeks of strong lobbying, the Government has finally issued a consultation paper which sets out their proposals for the funding of concessionary travel in 2010/11 and seeks responses from authorities, which need to be submitted by 30 December. If the proposals are endorsed they will give the Council an additional £1.65 million of special grant. Whilst this additional grant is very welcome, it will still be necessary for the Council to find revenue savings of about £1 million next year. If in the event this additional grant is not forthcoming, then further cuts of more than £1.5 million would need to be identified.

2.7 At its meeting on the 08 December 2009, Executive approved a budget strategy based on the best known data with regard to Government spending targets:

- Formula Grant increase 0.8%
- Council tax guideline 4.5%

2.8 The available capital resources for 2010/11 are £3.150 million with an estimated spend of £13.687 million required in respect of the General Fund, of which £1.669 million is required for new approvals. This shows that the Council will have to use borrowing of £10.537 million in addition to other capital resources to finance its capital programme requirements. This will also have an ongoing impact on the Council's revenue budget. The prudential capital framework enables the Council to borrow within self-imposed targets largely based on affordability. A list of the existing and proposed schemes for Economy Scrutiny Committee is attached as Paper 3 on the Agenda.

2.9 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 will 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. For this reason, and to reflect the difficulty in estimating the charges to revenue, these costs will be charged to revenue and reported only with the final accounts.

2.10 From 2010/11, Local Authorities will be required to produce their accounts under International Financial Reporting Standards (IFRS). As a result of this move, the treatment of Government Grants / Contributions to capital schemes (Deferred Contributions) will change. Currently the income is allocated to services each year in proportion to the depreciation charged for the asset purchased. They do not impact on the Council Tax requirement as they are reversed out 'below the line'. Under IFRS these grants and contributions will be treated in our accounts as general grants received 'below the line' in the year they are due to be received. They will therefore not be credited to services and do not appear in the 2010/11 service estimates.

2.11 The changes in respect of 2010/11 Fees and Charges for the budget are attached as Paper 2 on the Agenda.

3 Revenue Budget Savings

3.1 Savings proposals to reduce the revenue base budget in 2010/11 by £1.008 million have been identified in order to alleviate the financial pressures that are facing the Council next year. These have now been reviewed by the all party Resources Member Working Group and have been incorporated within the budget papers that are presented at the December meetings of Scrutiny Committees to consider next year's budget. However due to the likelihood of further revenue pressures facing the Council beyond 2010/11 other savings will need to be identified for future years.

3.2 The specific revenue savings that have been included within the draft estimates for Scrutiny Committee – Economy, totalling £336,600 (£269,600 net towards the corporate target) are as follows:-

		£
1	***Planning Services***	
	Trees – delete Landscape & Tree Officer post; Design Assistant post that assist on trees to become permanent	12,000
	Enforcement – delete Senior Enforcement and Projects Officer and Investigation Officer posts; create new post of Enforcement Officer.	32,000
	Delete Planning Technician 1.0 fte	23,000
	Delete Implementation Officer 1.0 fte	27,500
	Delete Clerical Assistant 1.0 fte	19,000
	Delete Design Assistant 1.0 fte	27,500
	Delete Forward Planning Officer 0.4 fte	16,000
	Delete Clerical Assistant 0.2 fte	4,000
2	***Parking, Engineering & Business Support***	
	Delete Civil Enforcement Officer 3.0 fte	64,000
	Delete Clerical Officer Posts	23,000
3	***Economy and Tourism***	

Tourism saving	21,000
Reduction in cost of operating Underground Passages	9,500
Saving on tourism marketing	2,600
Saving on maintenance of interpretation facilities	3,000
Saving on office equipment budget	1,500
Reduction of Autumn Festival Budget	2,000
Reduction of Vibraphonic Festival Budget	14,000

4 ***Estates***

Market Staffing 1.0 fte (net saving)	13,000
Additional rental income from properties	20,000
Saving on software licences budget	2,000

4. Key Revenue Budget Changes Proposed for 2010/11

4.1 The Revenue budgets are attached at Paper 1. The proposed budgets reflect a combination of budget increases and savings and the key changes are as follows:

83A1 PROPERTY & ESTATES SERVICES

In general, income is expected to increase across a number of Estates Properties reflecting a number of rent reviews across the city. In addition the one year reduction made in respect of the provision for void properties has now been removed.

The Asset Improvement and Maintenance (AIM) budget has increased. This has been offset by a reduction in the support service budgets, with the legal services budget reducing significantly. A saving has been made on the software licences budget.

83A2 TRANSPORTATION/CONCESSIONARY FARES

From 1 April 2008, the Devonwide concessionary travel scheme that provides free travel for people over 60 and those with disabilities was replaced by a nationwide scheme. Central Government has issued a specific grant allocation which is intended to cover the additional costs associated with the nationwide scheme.

The specific grant for 2010/11 is £681,000, an increase of £18,000 on the previous year. In addition central government has announced a consultation regarding the allocation of the grant nationally and indications are that ECC could receive an additional £1.65 million in grant in 2010/11; this figure has been included in the budget figures.

£5,000 is included in the budgets for the City Council's contribution to Travelsmart, approved in 2007, which will be funded from an earmarked reserve.

The increase in time spent on the concessionary fares scheme by the Economy and Development administration team has resulted in an increased support service recharge.

83A3 CAR PARKING

Savings have been made on staffing budgets due to the proposed reduction in the number of Civil Enforcement Officers employed. In addition the Asset Improvement and Maintenance (AIM) budget has reduced.

Executive has already agreed that there should be no general increase in the car parking tariffs in view of the wider economic climate. However there will be a small increase in the tariffs due to the requirement to reflect the reversion of the VAT rate to 17.5%.

The effect of the VAT only price increase and ongoing uncertain economic climate has resulted in the car park income budget reducing by some £214,000. This includes car park fees, season tickets and income from the various car park investments properties.

The budget includes costs and income related to Civil Parking Enforcement for on street parking, which is run under an Agency Agreement with the County Council. Income for this activity is expected to increase in 2010/11. Civil Parking Enforcement is budgeted to break even, and there is an agreement in place whereby any surplus or deficit will be passed over to or funded by Devon CC.

The Residents Parking Budget has reduced. As with Civil Parking Enforcement any surplus or deficit will be passed over to or funded by Devon CC. The agreement with DCC is that the cost of the Customer Service Centre remains with ECC, the budget in respect of the Customer Service Centre includes the time spent by ECC staff issuing the resident parking permits to customers. The reduction in the budget reflects the cost of staff time to be charged to DCC from 2010/11

83A4 ECONOMIC DEVELOPMENT

The major budget movement in this unit relates to estimated Capital Charges. The treatment of Capital Charges within revenue budgets is explained within the Budget Framework at the beginning of the report.

83A5 FESTIVALS & EVENTS

Officers proposed at the informal Scrutiny meeting that savings be made in this budget by a reduction in the Autumn Festival budget and the removal of the Vibraphonic Festival budget. Members at the meeting expressed concern at this proposal and if they were minded to review the officer recommendation, an alternative saving could be made in the City Centre Activities budget (a total of £10,000 is available).

83A6 TOURIST INFORMATION

It is proposed that employee budgets are reduced as part of the revenue savings identified for the committee. Budget savings are also proposed in respect of the operation of the Underground Passages.

The Tourism marketing budget is also identified as a proposed saving, as is the budget for the maintenance of interpretation facilities. Additional savings have been identified on equipment maintenance, shop purchases, publications and leaflets budgets within the management unit.

83A7 ARCHAEOLOGY IN EXETER

This is the City Council's provision to finance a programme of works in Exeter from the consultancy services offered by the Archaeological Field Unit. It is proposed that this remains as per the 2009/10 budget provision.

83A8 DISTRICT HIGHWAYS AND FOOTPATHS

The major budget movement in this unit relates to estimated Capital Charges which have reduced significantly in 2010/11.

The budget in respect of Engineering & Construction has reduced; this has been partially offset by an increase in the Asset Improvement & Maintenance (AIM) budget.

83A9 BUILDING CONTROL

Staffing budgets have been reduced as part of the savings approved by Executive in November. Building Control Fee income budget has been reduced due to the continuing uncertainty in the housing market and construction industry.

The Building Control fee-earning account is budgeted to break even, with any surplus will be transferred to, or deficit transferred from an earmarked reserve.

83B1 LAND DRAINAGE

The recharge in respect of Engineering and Construction has reduced reflecting the anticipated reduction in time spent in this area by ECC's engineers.

83B2 ADMINISTRATION SERVICE

Employment budgets have increased due to the budget for business support staff being wholly charged to this management unit where previously a proportion had been charged to Parking Services. These costs are recovered through recharges. Support service budgets in respect of IT have reduced.

83B3 DIRECTOR ECONOMY & DEVELOPMENT

There are no significant changes proposed to this budget for 2010/11, pending the Council's intended review of the management structure later in 2010.

83B4 ENGINEERING & CONSTRUCTION SERVICES

The main change in this management unit relates to income budgets. Income from external work in expected to fall significantly in 2010/11 due to the loss of sub contracted work on drainage schemes from Pell Frischman on behalf of South West Water. The relevant income budgets have been reduced to reflect this.

However, income from internal sources is expected to offset a significant amount of this loss. The additional internal income is expected due to work to be undertaken on council own build schemes

83B5 PLANNING SERVICES

The continuing uncertain economic climate and slow down in the housing and construction markets has resulted in an anticipated fall in income from planning applications by £40,000.

Staffing budgets have reduced to take account of the identified revenue savings. Support service budgets have reduced, and in particular the Economy and Development Administration team recharge to this service.

The budget for Housing & Planning Delivery Grant has increased to reflect the expected expenditure in 2010/11. The income budget in respect of the grant has been removed. The additional costs will be funded from the Housing & Planning Delivery Grant earmarked reserve.

Expenditure of £80,000 has been included in 2010/11 related to the Local Development Framework; this expenditure will be used in the delivery of various priorities. In the medium term financial plan, LDF costs are estimated at £40,000 in 2011/12.

83B6 CONSERVATION

The main change in this management unit is the increase in the Asset Improvement and Maintenance (AIM) budget.

83B7 ARCHAEOLOGICAL FIELD UNIT

Staffing costs have been reduced to reflect the continuation of reduced demand for the service, as seen in the current financial year. The slow down in the construction industry is seen as an ongoing factor affecting demand. As a result income levels are budgeted to fall further, however the management of costs in response to this is planned to obtain a

break-even position on works undertaken.

Budgets in respect of the future costs of archives, archive box charges and unfunded work on outstanding obligations have also been included.

83B9 MARKETS & HALLS

It is proposed that employee budgets are reduced as part of the revenue savings identified for the committee.

The budget in respect of the Asset Improvement and Maintenance programme (AIM) has reduced; further savings have been made on various utilities budgets.

Income is forecast to increase in a number of areas but particularly in respect of Corn Exchange events, auctioneers fees (livestock) and the Sunday Market, income budgets have therefore been increased.

5. USE OF RESERVES

5.1 The following withdrawals from earmarked reserves are budgeted to fund certain nonrecurring expenditure in 2010/11:

	£'000
Planning Delivery Grant reserve	488
Transport Initiatives	5
Habitats Assessments	9
Budgeted Use of Earmarked Reserves in 2009/10	502

6. RECOMMENDATIONS

6.1 It is RECOMMENDED that Members comment on the draft Estimates for 2010/11.

JOHN RIGBY
DIRECTOR

ECONOMY & DEVELOPMENT DIRECTORATE

SCRUTINY COMMITTEE - ECONOMY

SUBJECTIVE ANALYSIS 5ECONR	ESTIMATE 2009-10	INFLATION	NEW PROPOSALS PERMANENT	NEW PROPOSALS TEMPORARY	OTHER ADJUSTMENTS	ESTIMATE 2010-11
Employees	5,334,830	84,820	(411,710)	0	87,980	**5,095,920**
Premises	2,390,450	22,670	(11,520)	0	10,820	**2,412,420**
Supplies & Services	5,571,750	6,550	52,500	0	579,640	**6,210,440**
Transport	134,050	2,900	0	0	(42,750)	**94,200**
Support Services	2,948,560	43,970	0	0	(46,180)	**2,946,350**
Capital Financing	570,450	0	0	0	(219,720)	**350,730**
Total Expenditure	**16,950,090**	**160,910**	**(370,730)**	**0**	**369,790**	**17,110,060**
Income	(15,828,320)	(90,090)	(1,613,250)	0	584,600	**(16,947,060)**
Net Expenditure	**1,121,770**	**70,820**	**(1,983,980)**	**0**	**954,390**	**163,000**

OBJECTIVE ANALYSIS	ESTIMATE 2009-10	INFLATION	NEW PROPOSALS PERMANENT	NEW PROPOSALS TEMPORARY	OTHER ADJUSTMENTS	ESTIMATE 2010-11
83A1 PROPERTY & ESTATES SERVICES	(2,637,640)	9,000	(22,000)	0	(50,880)	**(2,701,520)**
83A2 TRANSPORT/CONCESSIONARY FARES	2,944,960	580	(1,650,000)	0	501,570	**1,797,110**
83A3 CAR PARKING	(3,143,030)	21,770	(71,860)	0	200,590	**(2,992,530)**
83A4 ECONOMIC DEVELOPMENT	852,000	9,540	0	0	(72,050)	**789,490**
83A5 FESTIVALS & EVENTS	284,530	(340)	(17,690)	0	7,510	**274,010**
83A6 TOURIST INFORMATION	549,180	5,920	(44,990)	0	19,130	**529,240**
83A7 ARCHAEOLOGY IN EXETER	26,000	0	0	0	0	**26,000**
83A8 DISTRICT HIGHWAYS & FOOTPATHS	546,310	1,310	0	0	(159,690)	**387,930**
83A9 BUILDING CONTROL	52,380	(1,470)	(4,040)	0	25,170	**72,040**
83B1 LAND DRAINAGE	137,190	850	0	0	(17,500)	**120,540**
83B2 ADMINISTRATION SERVICE	0	(20)	0	0	20	**0**
83B3 DIRECTOR ECONOMY & DEVELOPMENT	0	60	0	0	(60)	**0**
83B4 ENGINEERING & CONSTRUCTION SERVICES	0	(650)	0	0	650	**0**
83B5 PLANNING SERVICES	1,298,040	27,040	(145,330)	0	397,700	**1,577,450**
83B6 CONSERVATION	70,560	30	0	0	21,890	**92,480**
83B7 ARCHAEOLOGICAL FIELD UNIT	0	340	(15,080)	0	122,740	**108,000**
83B9 MARKETS & HALLS	141,290	(3,140)	(12,990)	0	(42,400)	**82,760**
Net Cost	**1,121,770**	**70,820**	**(1,983,980)**	**0**	**954,390**	**163,000**

83A1 PROPERTY & ESTATE SERVICES	ESTIMATE 2009-10	INFLATION	NEW PROPOSALS PERMANENT	 TEMPORARY	OTHER ADJUSTMENTS	ESTIMATE 2010-11
Employees	447,170	7,040	0	0	(5,690)	**448,520**
Premises	261,970	1,270	0	0	10,950	**274,190**
Supplies & Services	92,190	470	(2,000)	0	6,800	**97,460**
Transport	2,220	40	0	0	(750)	**1,510**
Support Services	727,590	10,730	0	0	(15,130)	**723,190**
Capital Financing	0	0	0	0	0	**0**
Total Expenditure	**1,531,140**	**19,550**	**(2,000)**	**0**	**(3,820)**	**1,544,870**
Income	(4,168,780)	(10,550)	(20,000)	0	(47,060)	**(4,246,390)**
Net Expenditure	**(2,637,640)**	**9,000**	**(22,000)**	**0**	**(50,880)**	**(2,701,520)**
Represented By						
M001 Commercial Properties	(1,862,820)	3,080	(15,380)	0	(14,370)	**(1,889,490)**
M002 Miscellaneous Properties	(335,400)	4,330	(4,620)	0	(51,650)	**(387,340)**
M003 Marsh Barton/Pinhoe Estates	(108,770)	850	0	0	1,380	**(106,540)**
M004 Bradninch Place	(22,420)	530	0	0	3,780	**(18,110)**
M005 Sowton Industrial Estate	1,460	30	0	0	1,930	**3,420**
M006 St Georges Hall Retail Units	(314,950)	270	0	0	12,050	**(302,630)**
M011 Land Charges	5,260	(520)	0	0	(5,570)	**(830)**
T104 Estate Services	466,650	7,410	0	0	(1,110)	**472,950**
T105 Property Records	46,870	720	(2,000)	0	(2,510)	**43,080**
U104 Internal Recharges	(513,520)	(7,700)	0	0	5,190	**(516,030)**
Net Cost	**(2,637,640)**	**9,000**	**(22,000)**	**0**	**(50,880)**	**(2,701,520)**

83A2 TRANSPORT/CONCESSIONARY FARES	ESTIMATE 2009-10	INFLATION	NEW PROPOSALS PERMANENT	NEW PROPOSALS TEMPORARY	OTHER ADJUSTMENTS	ESTIMATE 2010-11
Employees	0	0	0	0	0	**0**
Premises	0	0	0	0	0	**0**
Supplies & Services	3,583,740	0	0	0	498,610	**4,082,350**
Transport	0	0	0	0	0	**0**
Support Services	52,570	790	0	0	23,960	**77,320**
Capital Financing	0	0	0	0	0	**0**
Total Expenditure	**3,636,310**	**790**	**0**	**0**	**522,570**	**4,159,670**
Income	(691,350)	(210)	(1,650,000)	0	(21,000)	**(2,362,560)**
Net Expenditure	**2,944,960**	**580**	**(1,650,000)**	**0**	**501,570**	**1,797,110**
Represented By						
M101 Support to Operators	22,640	0	0	0	50	**22,690**
M102 Transportation Initiatives	29,900	40	0	0	(840)	**29,100**
M103 Travel Concessions	2,882,750	530	(1,650,000)	0	509,720	**1,743,000**
M104 Green Travel Plan	9,670	10	0	0	(7,360)	**2,320**
Net Cost	**2,944,960**	**580**	**(1,650,000)**	**0**	**501,570**	**1,797,110**

83A3 CAR PARKING	ESTIMATE 2009-10	INFLATION	NEW PROPOSALS PERMANENT	NEW PROPOSALS TEMPORARY	OTHER ADJUSTMENTS	ESTIMATE 2010-11
Employees	924,030	14,790	(71,860)	0	28,120	**895,080**
Premises	1,175,950	14,390	0	0	(6,720)	**1,183,620**
Supplies & Services	319,050	3,870	0	0	(36,780)	**286,140**
Transport	19,030	460	0	0	(1,520)	**17,970**
Support Services	337,190	5,060	0	0	39,290	**381,540**
Capital Financing	140,400	0	0	0	(360)	**140,040**
Total Expenditure	**2,915,650**	**38,570**	**(71,860)**	**0**	**22,030**	**2,904,390**
Income	(6,058,680)	(16,800)	0	0	178,560	**(5,896,920)**
Net Expenditure	**(3,143,030)**	**21,770**	**(71,860)**	**0**	**200,590**	**(2,992,530)**
Represented By						
M201 Car Parks	(3,280,740)	18,910	(71,860)	0	252,570	**(3,081,120)**
M202 Car Parks Investment Properties	(50,000)	0	0	0	1,910	**(48,090)**
M203 Residents Parking Schemes	113,750	3,120	0	0	(59,560)	**57,310**
M204 CPE	0	(1,540)	0	0	1,540	**0**
M205 Hospital Parking Contract	0	0	0	0	0	**0**
T107 Cash Collection	84,960	1,440	0	0	2,170	**88,570**
U107 Cash Collection Int Recharge	(11,000)	(160)	0	0	1,960	**(9,200)**
Net Cost	**(3,143,030)**	**21,770**	**(71,860)**	**0**	**200,590**	**(2,992,530)**

83A4 ECONOMIC DEVELOPMENT	ESTIMATE 2009-10	INFLATION	NEW PROPOSALS PERMANENT	 TEMPORARY	OTHER ADJUSTMENTS	ESTIMATE 2010-11
Employees	385,180	6,070	0	0	10,800	**402,050**
Premises	0	0	0	0	0	**0**
Supplies & Services	298,040	30	0	0	(17,380)	**280,690**
Transport	4,310	80	0	0	50	**4,440**
Support Services	226,120	3,360	0	0	(780)	**228,700**
Capital Financing	72,560	0	0	0	(70,000)	**2,560**
Total Expenditure	**986,210**	**9,540**	**0**	**0**	**(77,310)**	**918,440**
Income	(134,210)	0	0	0	5,260	**(128,950)**
Net Expenditure	**852,000**	**9,540**	**0**	**0**	**(72,050)**	**789,490**
Represented By						
M301 Economy & Tourism Admin	529,620	7,770	0	0	(900)	**536,490**
M302 City Sponsorship	0	0	0	0	0	**0**
M303 Economic/Partner Initiatives	187,160	10	0	0	(70,550)	**116,620**
M304 Marketing	42,880	10	0	0	740	**43,630**
M305 City Centre Management	50,790	400	0	0	10,560	**61,750**
M306 Christmas Lights	31,000	0	0	0	0	**31,000**
M307 Event Promotions	10,550	0	0	0	(10,550)	**0**
M308 City Centre Manager	0	870	0	0	(870)	**0**
M309 Business Crime Reduction Init	0	480	0	0	(480)	**0**
Net Cost	**852,000**	**9,540**	**0**	**0**	**(72,050)**	**789,490**

83A5 FESTIVALS & EVENTS	ESTIMATE 2009-10	INFLATION	NEW PROPOSALS PERMANENT	 TEMPORARY	OTHER ADJUSTMENTS	ESTIMATE 2010-11
Employees	78,550	1,310	0	0	(4,750)	**75,110**
Premises	26,240	530	(2,040)	0	0	**24,730**
Supplies & Services	343,000	850	(36,050)	0	12,130	**319,930**
Transport	980	10	0	0	0	**990**
Support Services	49,260	730	0	0	130	**50,120**
Capital Financing	0	0	0	0	0	**0**
Total Expenditure	**498,030**	**3,430**	**(38,090)**	**0**	**7,510**	**470,880**
Income	(213,500)	(3,770)	20,400	0	0	**(196,870)**
Net Expenditure	**284,530**	**(340)**	**(17,690)**	**0**	**7,510**	**274,010**
Represented By						
M401 Arts & Festival Administration	134,860	2,060	0	0	(4,480)	**132,440**
M402 Summer Festival	100,000	(2,090)	0	0	2,090	**100,000**
M403 Animation Festival	0	0	0	0	20,000	**20,000**
M404 Autumn Festival	25,000	0	(2,000)	0	(10,000)	**13,000**
M405 Vibraphonic	16,000	(310)	(15,690)	0	0	**0**
M406 Christmas Events	7,320	0	0	0	(100)	**7,220**
M407 Jazz Events & Street Parties	0	0	0	0	0	**0**
M408 Barnfield Theatre Grant	1,350	0	0	0	0	**1,350**
M409 Festival In Advance	0	0	0	0	0	**0**
Net Cost	**284,530**	**(340)**	**(17,690)**	**0**	**7,510**	**274,010**

83A6 TOURIST INFORMATION	ESTIMATE 2009-10	INFLATION	NEW PROPOSALS PERMANENT	 TEMPORARY	OTHER ADJUSTMENTS	ESTIMATE 2010-11
Employees	328,990	5,180	(28,060)	0	12,620	**318,730**
Premises	95,060	1,200	(9,480)	0	5,910	**92,690**
Supplies & Services	181,360	210	(7,450)	0	(5,150)	**168,970**
Transport	5,180	100	0	0	0	**5,280**
Support Services	92,930	1,370	0	0	(1,300)	**93,000**
Capital Financing	3,190	0	0	0	3,050	**6,240**
Total Expenditure	**706,710**	**8,060**	**(44,990)**	**0**	**15,130**	**684,910**
Income	(157,530)	(2,140)	0	0	4,000	**(155,670)**
Net Expenditure	**549,180**	**5,920**	**(44,990)**	**0**	**19,130**	**529,240**
Represented By						
M501 Tourism Administration	140,410	2,200	2,500	0	1,650	**146,760**
M502 Tourism	109,150	20	(7,450)	0	3,500	**105,220**
M503 Tourist Information Centre	176,410	2,060	(30,560)	0	5,120	**153,030**
M504 Underground Passages	95,660	980	(9,480)	0	8,610	**95,770**
M505 Quay House Visitor Centre	10,080	690	0	0	370	**11,140**
M506 Tour Guides	17,470	(30)	0	0	(120)	**17,320**
M507 Heart of Devon	0	0	0	0	0	**0**
M508 Old EHOD	0	0	0	0	0	**0**
M509 Conference Devon	0	0	0	0	0	**0**
Net Cost	**549,180**	**5,920**	**(44,990)**	**0**	**19,130**	**529,240**

SCRUTINY COMMITTEE - ECONOMY

83A7 **ARCHAEOLOGY IN EXETER**	**ESTIMATE 2009-10**	INFLATION	NEW PROPOSALS PERMANENT	 TEMPORARY	OTHER ADJUSTMENTS	**ESTIMATE 2010-11**
Employees	0	0	0	0	0	**0**
Premises	0	0	0	0	0	**0**
Supplies & Services	26,000	0	0	0	0	**26,000**
Transport	0	0	0	0	0	**0**
Support Services	0	0	0	0	0	**0**
Capital Financing	0	0	0	0	0	**0**
Total Expenditure	**26,000**	**0**	**0**	**0**	**0**	**26,000**
Income	0	0	0	0	0	**0**
Net Expenditure	**26,000**	**0**	**0**	**0**	**0**	**26,000**
Represented By						
M901 Archaeological Studies	26,000	0	0	0	0	**26,000**
Net Cost	**26,000**	**0**	**0**	**0**	**0**	**26,000**

83A8 DISTRICT HIGHWAYS & FOOTPATHS	ESTIMATE 2009-10	INFLATION	NEW PROPOSALS PERMANENT	 TEMPORARY	OTHER ADJUSTMENTS	ESTIMATE 2010-11
Employees	0	0	0	0	0	**0**
Premises	183,850	330	0	0	1,770	**185,950**
Supplies & Services	12,320	180	0	0	0	**12,500**
Transport	0	0	0	0	0	**0**
Support Services	52,960	800	0	0	(3,620)	**50,140**
Capital Financing	297,180	0	0	0	(157,840)	**139,340**
Total Expenditure	**546,310**	**1,310**	**0**	**0**	**(159,690)**	**387,930**
Income	0	0	0	0	0	**0**
Net Expenditure	**546,310**	**1,310**	**0**	**0**	**(159,690)**	**387,930**
Represented By						
M601 Footpaths Maintenance & Lighting	154,870	770	0	0	12,360	**168,000**
M602 Signs & Sundries	350,940	540	0	0	(172,050)	**179,430**
M603 Street Naming	6,000	0	0	0	0	**6,000**
M604 Street Lighting	34,500	0	0	0	0	**34,500**
Net Cost	**546,310**	**1,310**	**0**	**0**	**(159,690)**	**387,930**

83A9 BUILDING CONTROL	ESTIMATE 2009-10	INFLATION	NEW PROPOSALS PERMANENT	 TEMPORARY	OTHER ADJUSTMENTS	ESTIMATE 2010-11
Employees	350,750	5,490	(40,390)	0	5,050	**320,900**
Premises	270	10	0	0	0	**280**
Supplies & Services	32,310	210	0	0	(480)	**32,040**
Transport	16,620	330	0	0	0	**16,950**
Support Services	100,550	1,510	0	0	50	**102,110**
Capital Financing	6,300	0	0	0	0	**6,300**
Total Expenditure	**506,800**	**7,550**	**(40,390)**	**0**	**4,620**	**478,580**
Income	(454,420)	(9,020)	36,350	0	20,550	**(406,540)**
Net Expenditure	**52,380**	**(1,470)**	**(4,040)**	**0**	**25,170**	**72,040**
Represented By						
M701 Building Control Fee Earning	0	(2,160)	0	0	2,160	**0**
M702 Building Control Advice	52,380	690	(4,040)	0	23,010	**72,040**
Net Cost	**52,380**	**(1,470)**	**(4,040)**	**0**	**25,170**	**72,040**

83B1 LAND DRAINAGE	ESTIMATE 2009-10	INFLATION	NEW PROPOSALS PERMANENT	 TEMPORARY	OTHER ADJUSTMENTS	ESTIMATE 2010-11
Employees	0	0	0	0	0	**0**
Premises	72,500	0	0	0	0	**72,500**
Supplies & Services	2,100	0	0	0	0	**2,100**
Transport	0	0	0	0	0	**0**
Support Services	56,520	850	0	0	(17,500)	**39,870**
Capital Financing	6,070	0	0	0	0	**6,070**
Total Expenditure	**137,190**	**850**	**0**	**0**	**(17,500)**	**120,540**
Income	0	0	0	0	0	**0**
Net Expenditure	**137,190**	**850**	**0**	**0**	**(17,500)**	**120,540**
Represented By						
M611 Land Drainage - Water Courses	125,490	670	0	0	(14,370)	**111,790**
M612 Sewer Maps	6,000	90	0	0	(2,340)	**3,750**
M613 Development Sites	5,700	90	0	0	(790)	**5,000**
Net Cost	**137,190**	**850**	**0**	**0**	**(17,500)**	**120,540**

83B2 ADMINISTRATION SERVICE	ESTIMATE 2009-10	INFLATION	NEW PROPOSALS PERMANENT	NEW PROPOSALS TEMPORARY	OTHER ADJUSTMENTS	ESTIMATE 2010-11
Employees	116,790	1,870	0	0	17,580	**136,240**
Premises	0	0	0	0	0	**0**
Supplies & Services	10,360	0	0	0	(600)	**9,760**
Transport	30	0	0	0	(30)	**0**
Support Services	80,960	1,200	0	0	(18,690)	**63,470**
Capital Financing	0	0	0	0	0	**0**
Total Expenditure	**208,140**	**3,070**	**0**	**0**	**(1,740)**	**209,470**
Income	(208,140)	(3,090)	0	0	1,760	**(209,470)**
Net Expenditure	**0**	**(20)**	**0**	**0**	**20**	**0**
Represented By						
T101 Directorate Administration	206,040	3,070	0	0	(1,740)	**207,370**
U101 Internal Recharges	(206,040)	(3,090)	0	0	1,760	**(207,370)**
Net Cost	**0**	**(20)**	**0**	**0**	**20**	**0**

83B3 DIRECTOR ECONOMY & DEVELOPMENT	ESTIMATE 2009-10	INFLATION	NEW PROPOSALS PERMANENT	 TEMPORARY	OTHER ADJUSTMENTS	ESTIMATE 2010-11
Employees	155,680	2,460	0	0	4,130	**162,270**
Premises	0	0	0	0	0	**0**
Supplies & Services	3,790	0	0	0	0	**3,790**
Transport	980	20	0	0	0	**1,000**
Support Services	42,690	630	0	0	(1,900)	**41,420**
Capital Financing	0	0	0	0	0	**0**
Total Expenditure	**203,140**	**3,110**	**0**	**0**	**2,230**	**208,480**
Income	(203,140)	(3,050)	0	0	(2,290)	**(208,480)**
Net Expenditure	**0**	**60**	**0**	**0**	**(60)**	**0**
Represented By						
T102 Director Economy & Development	164,630	2,560	0	0	(3,890)	**163,300**
T103 Drectorate Projects Officer	38,510	550	0	0	6,120	**45,180**
U102 Internal Recharges	(203,140)	(3,050)	0	0	(2,290)	**(208,480)**
Net Cost	**0**	**60**	**0**	**0**	**(60)**	**0**

83B4 ENGINEERING & CONSTRUCTION SERVICES	ESTIMATE 2009-10	INFLATION	NEW PROPOSALS PERMANENT	 TEMPORARY	OTHER ADJUSTMENTS	ESTIMATE 2010-11
Employees	359,060	5,670	0	0	(10,080)	**354,650**
Premises	270	10	0	0	0	**280**
Supplies & Services	36,200	90	0	0	(17,020)	**19,270**
Transport	4,320	80	0	0	1,300	**5,700**
Support Services	98,520	1,470	0	0	(2,200)	**97,790**
Capital Financing	110	0	0	0	40	**150**
Total Expenditure	**498,480**	**7,320**	**0**	**0**	**(27,960)**	**477,840**
Income	(498,480)	(7,970)	0	0	28,610	**(477,840)**
Net Expenditure	**0**	**(650)**	**0**	**0**	**650**	**0**
Represented By						
T106 Engineering & Construction	398,480	5,330	0	0	44,030	**447,840**
U106 Eng & Constr Internal Recharges	(398,480)	(5,980)	0	0	(43,380)	**(447,840)**
Net Cost	**0**	**(650)**	**0**	**0**	**650**	**0**

83B5 PLANNING SERVICES	ESTIMATE 2009-10	INFLATION	NEW PROPOSALS PERMANENT	 TEMPORARY	OTHER ADJUSTMENTS	ESTIMATE 2010-11
Employees	1,225,490	19,240	(135,330)	0	18,190	**1,127,590**
Premises	13,520	20	0	0	0	**13,540**
Supplies & Services	301,460	330	(10,000)	0	158,420	**450,210**
Transport	20,500	410	0	0	(5,230)	**15,680**
Support Services	503,070	7,570	0	0	(26,630)	**484,010**
Capital Financing	5,360	0	0	0	7,740	**13,100**
Total Expenditure	**2,069,400**	**27,570**	**(145,330)**	**0**	**152,490**	**2,104,130**
Income	(771,360)	(530)	0	0	245,210	**(526,680)**
Net Expenditure	**1,298,040**	**27,040**	**(145,330)**	**0**	**397,700**	**1,577,450**
Represented By						
M801 Planning	749,700	19,190	(25,000)	0	36,450	**780,340**
M802 Planning Enforcement	96,650	1,500	0	0	(1,450)	**96,700**
M803 Forward Planning	148,010	2,330	(23,520)	0	(2,910)	**123,910**
M804 Planning Delivery	200,520	3,970	(86,810)	0	369,820	**487,500**
M805 Direct Action	0	0	0	0	0	**0**
M806 Local Development Framework	103,160	50	(10,000)	0	(13,210)	**80,000**
M807 Habitats Assessments	0	0	0	0	9,000	**9,000**
Net Cost	**1,298,040**	**27,040**	**(145,330)**	**0**	**397,700**	**1,577,450**

83B6 CONSERVATION	ESTIMATE 2009-10	INFLATION	NEW PROPOSALS PERMANENT	NEW PROPOSALS TEMPORARY	OTHER ADJUSTMENTS	ESTIMATE 2010-11
Employees	0	0	0	0	0	**0**
Premises	54,180	0	0	0	23,890	**78,070**
Supplies & Services	6,300	0	0	0	0	**6,300**
Transport	0	0	0	0	0	**0**
Support Services	1,960	30	0	0	260	**2,250**
Capital Financing	8,120	0	0	0	(2,260)	**5,860**
Total Expenditure	**70,560**	**30**	**0**	**0**	**21,890**	**92,480**
Income	0	0	0	0	0	**0**
Net Expenditure	**70,560**	**30**	**0**	**0**	**21,890**	**92,480**
Represented By						
M811 Conservation/Building Grants	70,560	30	0	0	21,890	**92,480**
Net Cost	**70,560**	**30**	**0**	**0**	**21,890**	**92,480**

83B7 ARCHAEOLOGICAL FIELD UNIT	ESTIMATE 2009-10	INFLATION	NEW PROPOSALS PERMANENT	NEW PROPOSALS TEMPORARY	OTHER ADJUSTMENTS	ESTIMATE 2010-11
Employees	605,530	9,600	(123,080)	0	790	**492,840**
Premises	47,800	710	0	0	(11,870)	**36,640**
Supplies & Services	56,530	20	108,000	0	(32,120)	**132,430**
Transport	51,640	1,150	0	0	(35,620)	**17,170**
Support Services	58,610	890	0	0	(20,210)	**39,290**
Capital Financing	8,110	0	0	0	0	**8,110**
Total Expenditure	**828,220**	**12,370**	**(15,080)**	**0**	**(99,030)**	**726,480**
Income	(828,220)	(12,030)	0	0	221,770	**(618,480)**
Net Expenditure	**0**	**340**	**(15,080)**	**0**	**122,740**	**108,000**
Represented By						
C121 AFU Junior Staff Pay	65,980	1,430	(26,360)	0	(10,430)	**30,620**
C124 AFU Pay	461,350	7,280	(93,640)	0	20,940	**395,930**
C125 AFU Overheads	245,440	3,170	0	0	(110,800)	**137,810**
C126 AFU Head of Service Pay	55,450	880	(3,080)	0	870	**54,120**
C128 AFU Archive & Residual Costs	0	0	108,000	0	0	**108,000**
U121 AFU Internal Recharges	(828,220)	(12,420)	0	0	222,160	**(618,480)**
Net Cost	**0**	**340**	**(15,080)**	**0**	**122,740**	**108,000**

83B9 MARKETS & HALLS	ESTIMATE 2009-10	INFLATION	NEW PROPOSALS PERMANENT	 TEMPORARY	OTHER ADJUSTMENTS	ESTIMATE 2010-11
Employees	357,610	5,710	(12,990)	0	11,330	**361,660**
Premises	458,840	4,200	0	0	(13,110)	**449,930**
Supplies & Services	267,000	290	0	0	13,210	**280,500**
Transport	8,240	220	0	0	(950)	**7,510**
Support Services	467,060	6,980	0	0	(1,910)	**472,130**
Capital Financing	23,050	0	0	0	(90)	**22,960**
Total Expenditure	**1,581,800**	**17,400**	**(12,990)**	**0**	**8,480**	**1,594,690**
Income	(1,440,510)	(20,540)	0	0	(50,880)	**(1,511,930)**
Net Expenditure	**141,290**	**(3,140)**	**(12,990)**	**0**	**(42,400)**	**82,760**
Represented By						
C101 Livestock/Matford Centre	(2,370)	(3,290)	0	0	(48,240)	**(53,900)**
C102 Markets	19,370	(220)	0	0	(5,930)	**13,220**
C103 Exeter Corn Exchange	124,290	190	0	0	(1,040)	**123,440**
C104 M&H Overheads	401,020	6,200	(12,990)	0	8,820	**403,050**
U105 M&H Internal Recharges	(401,020)	(6,020)	0	0	3,990	**(403,050)**
Net Cost	**141,290**	**(3,140)**	**(12,990)**	**0**	**(42,400)**	**82,760**

FEES & CHARGES - ECONOMY AND DEVELOPMENT

	Current Charge 15%			Proposed Charges April 2010 17.5%			
	Fee	VAT	Total	Fee	VAT	Total	VAT
	£	£	£	£	£	£	Code
A SCALE OF CHARGES AND FEES FOR PLANNING AND ADVERTISMENT APPLICATIONS	*The fees collectable are statutory and determined by Central Government.*						
B PUBLICATIONS							
Shop Front Design Guide			Free			Free	
Exeter Cycle Plan			Free			Free	
Planning Achievements			Free			Free	
Design Guide for Extending Your Home			Free			Free	
Design Guide for Windows and Doors			Free			Free	
Design Guide for Shop Blinds			Free			Free	
Design Guide for Roofs			Free			Free	
Design Guide for Walls			Free			Free	
Exeter Listed Buildings			Free			Free	
Topsham Study							
- Part 1 - Conservation & Planning Study			Free			Free	
- Part 2 - Townscape Appraisal & Design Guide			Free			Free	
Conservation Area Character Appraisals*							
- Central (only available as a paper copy)	10.30	-	10.30	10.50	-	10.50	7
- Southernhay (only available as a paper copy)	10.30	-	10.30	10.50	-	10.50	7
- Heavitree (FREE to download from the web site)	5.15	-	5.15	5.25	-	5.25	7
- Cowick Street (FREE to download from the web site)	5.15	-	5.15	5.25	-	5.25	7
- Alphington (FREE to download from the web site)	5.15	-	5.15	5.25	-	5.25	7
- Exwick (FREE to download from the web site)	5.15	-	5.15	5.25	-	5.25	7
- Longbrook (FREE to download from the web site)	5.15	-	5.15	5.25	-	5.25	7
- Midway Terrace and Ide Lane (FREE to download from the web site)	5.15	-	5.15	5.25	-	5.25	7
- Riverside (FREE to download from the web site)	5.15	-	5.15	5.25	-	5.25	7
- St Davids (FREE to download from the web site)	5.15	-	5.15	5.25	-	5.25	7
- Princes Square (FREE to download from the web site)	5.15	-	5.15	5.25	-	5.25	7
*Available on CD for £2 each							
Supplementary Planning Documents							
- Public Open Space	5.15	-	5.15	5.25	-	5.25	7
- Audit of Open Space Facilities	10.30	-	10.30	10.50	-	10.50	7
- Neighbourhood Maps	15.45	-	15.45	15.75	-	15.75	7
Supplementary Planning Guidance							
- Trees in Relation to Development	5.15	-	5.15	5.25	-	5.25	7
- Archaeology and Development	5.15	-	5.15	5.25	-	5.25	7
Exeter Local Plan First Review	30.90	-	30.90	31.50	-	31.50	7
* half price for residents and students							
Local Plan Maps							
- Proposals	2.70	0.40	3.10	2.68	0.47	3.15	3
- City Centre Inset	1.78	0.27	2.05	1.79	0.31	2.10	3
Background Documents to the Local Plan First Review							
- Landscape Evaluation 1997	5.15	-	5.15	5.25	-	5.25	7
- Landscape Appraisal 1999	10.30	-	10.30	10.50	-	10.50	7
- Urban Capacity Study 1999	10.30	-	10.30	10.50	-	10.50	7
- Sustainability Appraisal 2000	10.30	-	10.30	10.50	-	10.50	7
Housing Needs Survey 2001							
- Executive Summary	2.60	-	2.60	2.65	-	2.65	7
- Volume I Main Survey Findings	10.30	-	10.30	10.50	-	10.50	7
- Volume II Guidance	10.30	-	10.30	10.50	-	10.50	7
- Update 2003	10.30	-	10.30	10.50	-	10.50	7

FEES & CHARGES - ECONOMY AND DEVELOPMENT

	Current Charge 15%			Proposed Charges April 2010 17.5%			
	Fee £	VAT £	Total £	Fee £	VAT £	Total £	VAT Code
Housing Land Availability Survey	51.50	-	51.50	52.50	-	52.50	7
Employment Land Availability Survey	20.60	-	20.60	21.00	-	21.00	7
Exeter Sub-Region Housing Study (Buchanan Report) 2004	51.50	-	51.50	52.50	-	52.50	7
Retail Capacity Study 2004 (CPRE)	30.90	-	30.90	31.50	-	31.50	7
Retail Shopping Study (Hillier Parker 1998)							
- Part 1	10.30	-	10.30	10.50	-	10.50	7
- Part 2	10.30	-	10.30	10.50	-	10.50	7
- Parts 1 & 2	18.50	-	18.50	18.85	-	18.85	7
Newcourt Area Feasibility Study Environmental Study (Cobham Resource Consultant 1996)	19.00	-	19.00	19.35	-	19.35	7
Newcourt Area Feasibility Study Transport Study (Rust Consulting Ltd 1996)	19.00	-	19.00	19.35	-	19.35	7
Exeter Employment Study (Atkins 2007)	25.75	-	25.75	26.25	-	26.25	7
Exeter Fringe Landscape Sensitivity & Capacity Study (Diacono Consultants & White Consulatations 2007)	25.75	-	25.75	26.25	-	26.25	7
C OTHER CHARGES							
Copy of Planning Decision Notice Decisions dated from 1 January 2000 10p per page	2.14	0.32	2.46	2.13	0.37	2.50	3
Copy Appeal Decision Decisions dated from 1 January 2000 up to 10 pages 10p per page, over 10 pages £2.50 flat rate	2.14	0.32	2.46	2.13	0.37	2.50	3
Copy Tree Preservation Order	2.14	0.32	2.46	2.13	0.37	2.50	3
Copy S.106 (Legal Agreement) Decisions dated from 1 January 2000 up to 10 pages 10p per page, over 10 pages £2.50 flat rate	2.14	0.32	2.46	2.13	0.37	2.50	3
Compliance with Conditions:							
- Ascertained from Application File	14.51	2.18	16.69	14.47	2.53	17.00	3
- Ascertained from File and Site Visit	59.75	8.96	68.71	59.62	10.43	70.05	3
Search type inquiry question answered by letter seeking information about property/land uses, Listed Buildings and Conservation Areas, Planning Decisions, etc - per question	12.81	1.92	14.73	12.77	2.23	15.00	3
Plan Photocopies (where permitted by Copyright)							
- A4 each copy	0.09	0.01	0.10	0.09	0.01	0.10	3
- A3 each copy	0.13	0.02	0.15	0.13	0.02	0.15	3
- A2, A1, A0 each copy *(colour copies of large plans will be priced individually)*	1.19	0.18	1.37	1.19	0.21	1.40	3
Ordnance Survey (OS) A4 Extract							
- Exeter City Council Fee per sheet (The charge for an Ordnance Survey (OS) extract map has been set by the OS and agreed with the Council in a Service Level Agreement e.g. £14.05 for 4 copies plus 10p per sheet = £14.45)	0.09	0.01	0.10	0.09	0.01	0.10	3
Other Photocopying:							
- A4 size	0.09	0.01	0.10	0.09	0.01	0.10	3
- A3 size	0.13	0.02	0.15	0.13	0.02	0.15	3

NOTE Reasonable requests from school pupils and students of further education will be exempt from charge

FEES & CHARGES - ECONOMY AND DEVELOPMENT

	Current Charge 15%			Proposed Charges April 2010 17.5%			
	Fee	VAT	Total	Fee	VAT	Total	VAT
	£	£	£	£	£	£	Code
D BUILDING CONTROL							
Research Building Records (add £5 if invoiced)	12.81	1.92	14.73	12.77	2.23	15.00	3
Copy of Building Regulation Notices	2.14	0.32	2.46	2.13	0.37	2.50	3
Building fees are prescribed by the DCLG. A separate leaflet is available outlining fees payable for the various categories of work.							
E LOCAL LAND CHARGES							
- Basic Standard Fee	95.00	-	95.00	91.00	-	91.00	9
- Basic Standard Fee *(submitted electronically)*	83.00	-	83.00	80.00	-	80.00	9
- LLC1 Enquires	21.00	-	21.00	19.00	-	19.00	9
- LLC1 Enquires *(submitted electronically)*	19.00	-	19.00	17.00	-	17.00	9
- Extra Question (Optional Enquiries Part Two)	2.00	-	2.00	2.00	-	2.00	9
- Extra Question (Optional Enquiries Q5/Q22) (set by Devon CC)	*TBC*	-	*TBC*	*TBC*	-	*TBC*	9
- Each Additional Enquiry	2.00	-	2.00	2.00	-	2.00	9
- Extra Parcel	2.00	-	2.00	2.00	-	2.00	9
- Con 29R Enquires	74.00	-	74.00	72.00	-	72.00	9
- Con 29R Enquires *(submitted electronically)*	64.00	-	64.00	63.00	-	63.00	9
- Personal Searches	11.00	-	11.00	22.00	-	22.00	9
F UNDERGROUND PASSAGES							
Adult	4.26	0.64	4.90	4.26	0.74	5.00	3
Child (5-16)	2.96	0.44	3.40	2.98	0.52	3.50	3
Senior/Student	3.39	0.51	3.90	3.40	0.60	4.00	3
Family (2 adults and up to 3 children)	12.74	1.91	14.65	12.77	2.23	15.00	3

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GENERAL FUND - CAPITAL PROGRAMME 2010/11 AND FUTURE YEARS

SCRUTINY COMMITTEE - ECONOMY

	SCHEMES LISTED WITHIN KEY STRATEGIC THEMES	Lead Officer	Category	2010/11 £	2011/12 £	2012/13 £	Future Years £	What the scheme is trying to achieve
	PROSPEROUS CITY							
1	Basin / Quayside	DP	C2	612,130	680,530			To deliver the regeneration of the Quayside by funding essential infrastructure improvements and land acquisition
2	Science Park	RB	C2	749,910				To encourage the expansion of science and technology in the City and to attract inward investment, through the creation of a science park
3	Central Station Gateway Enhancement	RS	C2	100,000	100,000			To improve the environmental quality of the Central Station forecourt by excluding vehicles and providing new paving and seating
	Sub Total - Prosperous City			**1,462,040**	**780,530**	**0**	**0**	
	ACCESSIBLE CITY							
1	King William Street Car Park Refurbishment	RC	C1	423,000 #				To increase the life of the facility through concrete repairs and improve the environment of the car park specifically, and surrounding area generally, by large scale cleaning and painting of the site
2	Well Oak Park Footpath/Cycleway	RS	C2	80,000 #				To provide a footpath/cycleway in Well Oak Park to connect to Shakespeare Road, including installation of lighting and CCTV, re-landscaping and closing off of the connection to Wyvern Park
	Sub Total - Accessible City			**503,000**	**0**	**0**	**0**	
	CARED FOR ENVIRONMENT							
1	City Centre Enhancements	JR	C2	269,050	200,000	200,000	200,000	To provide for the enhancement of the city centre's pedestrian environment which will encompass Gandy Street, Northernhay Gate, Fore Street and a range of minor works
	Sub Total - Environment Cared For			**269,050**	**200,000**	**200,000**	**200,000**	
	TOTAL GENERAL FUND CAPITAL PROGRAMME - ECONOMY			**2,234,090**	**980,530**	**200,000**	**200,000**	

GENERAL FUND - CAPITAL PROGRAMME 2010/11 AND FUTURE YEARS

SCRUTINY COMMITTEE - ECONOMY

SCHEMES LISTED WITHIN KEY STRATEGIC THEMES	Lead Officer	Category	2010/11 £		2011/12 £		2012/13 £		Future Years £		What the scheme is trying to achieve
Category 'C1' Schemes			423,000	19%	0	0%	0	0%	0	0%	
Category 'C2' Schemes			1,811,090	81%	980,530	100%	200,000	100%	200,000	100%	
TOTAL GENERAL FUND CAPITAL PROGRAMME - ECONOMY			**2,234,090**		**980,530**		**200,000**		**200,000**		
Pre-Approved Schemes			1,731,090		980,530		200,000		200,000		
New Bids			503,000		0		0		0		
TOTAL GENERAL FUND CAPITAL PROGRAMME - ECONOMY			**2,234,090**		**980,530**		**200,000**		**200,000**		

 # Indicates new bids

Lead Officer Key Table	
Head of Estates Services	DP
Director of Economy and Development	JR
Head of Economy and Tourism	RB
Head of Parking, Engineering and Business Support	RC
Head of Planning and Building Control	RS

EXETER CITY COUNCIL

SCRUTINY COMMITTEE – ECONOMY
21 JANUARY 2010

EXECUTIVE
9 FEBRUARY 2010

REDUCING CARBON EMISSIONS IN EXETER: THE ROLE OF PLANNING AND TRANSPORTATION STRATEGY: SUMMARY PAPER

1.0 PURPOSE OF REPORT

1.1 The reports which are attached outline the challenges facing the City in reducing carbon emissions over the next two decades and beyond. This paper summarises a set of actions for the short and medium term which are proposed for adoption.

2.0 INFORMATION

2.1 The government has set a range of very demanding targets for the reduction of carbon emissions across the country for the next decade and beyond. It has also appointed a Committee chaired by Lord Turner which has been tasked with producing detailed action plans for achieving these emission reductions and with monitoring performance over a series of five year periods in delivering on the targets for reducing emissions.

2.2 The proposals included in the attached papers contain measures which are a reflection of national policies and targets – some will seem straightforward but will require significant finance to implement, whilst others may be seen as being radical and, indeed, controversial. Because of the length of the attached papers, the key elements and actions are briefly summarised below.

Paper One : Overview

2.3 This paper sets out the national targets, targets by specific sector and proposed options. Because of the scale of the challenge at a global and national level to reduce carbon emissions by 26% by 2020 and 80% by 2050, there is a need for major changes in land use planning, transportation strategy, new construction and retro-fitting of existing buildings. That world oil production may also have passed its peak is a further reason for a significant change of direction.

Paper Two : Land Use Planning

2.4 To achieve significant reductions in emissions there will need to be major changes to land use planning and development management. New development needs to be planned with a much greater emphasis on mixed use development and on higher densities with a high quality public transport network at its core and site wide energy systems, such as Combined Heat and Power if carbon emissions are to be significantly reduced. The southern German city of Freiburg demonstrates how much can be achieved with an integrated and demanding land use/transport strategy.

2.5 The key recommendations are:

(i) endorsing major changes in land use planning priorities with the co-

location of uses and adoption of higher densities. This will mean a significant change in planning philosophy through revisions to the Local Development Framework and accepting major changes in the appearance of buildings.

(ii) the formulation and adoption of a sustainable energy supply strategy for the City's growth areas. This will potentially involve significant financial input from the City Council as well as other parties.

(iii) lobbying government through the LGA to ensure that there are tight national standards for new construction and a much improved funding regime to retrofit existing property to reduce carbon emissions.

(iv) improving staff and Member skills in dealing with this new area of work.

Paper Three : Transportation Strategy

2.6 Because the transport sector is a major source of CO_2 emissions (20% of the total) and its contribution is rising, there is a need for a radical change in transportation strategy. The responsibility sits primarily with the County Council with funding from the County, government and developers. The County Council has begun a review of its Transport Strategy as a precursor to the preparation of Local Transport Plan 3 for the period 2011-2016. The paper recommends that Members endorse the contents as the City Council's input to the new LTP. In particular, it envisages:

(i) a City Centre traffic management strategy which is intended to improve air quality, reduces extraneous traffic, whilst creating new public spaces, particularly, if feasible, at London Inn Square

(ii) much improved public transport by backing the High Quality Public Transport proposal, building on the recent successes of the local rail network and providing new Park and Ride sites around the City

(iii) limited future highway construction

(iv) a system of demand management by pricing all parking whether publicly or privately owned

(v) reviewing the City's Parking Strategy

(vi) facilitating the dramatic expansion of electric vehicle ownership and use

(vii) raising air quality by limiting vehicle emissions for vehicles using City Centre streets.

2.7 The financial consequences are primarily for the County Council and government, though the City's significant revenue from car parking may be affected.

Paper Four : City Centre

2.8 All of the above measures may significantly impact on the City Centre – and for reasons set out in the papers, development pressures in the City Centre will be rather greater. Alongside a city centre traffic management strategy, the City Council will be preparing a City Centre Action Plan. In addition to the elements outlined above, the main physical impacts would be:

(i) progress with key development/regeneration projects on the Bus Station site and in the Castle Quarter

(ii) the acceptance that HQPT will operate through the High Street but that there should be a presumption against all other buses running through the historic part of High Street (Queen Street to Fore Street section)

(iii) the creation of new and improved pedestrian spaces and much enhanced gateways at St David's and Central Stations.

2.9 The achievement of these changes will require a mix of developer funding, City Council cash and resources from Devon County Council.

3.0 RECOMMENDATION

3.1 It is recommended that

(i) Scrutiny Economy considers the content of the attached papers, comments on the strategies and actions and considers what further focus the Council needs to bring to the issue of carbon reduction.

(ii) Executive approves the recommended actions or modifies any of them in the light of comments from Planning Member Working Group or Scrutiny Economy.

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

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EXETER CITY COUNCIL

SCRUTINY COMMITTEE – ECONOMY
21 JANUARY 2010

EXECUTIVE
9 FEBRUARY 2010

REDUCING CARBON EMISSIONS IN EXETER: THE ROLE OF PLANNING AND TRANSPORTATION STRATEGY

1.0 PURPOSE OF REPORT

1.1 The purpose of this paper is to look at the longer term strategy for reducing carbon emissions in the City and to define a range of short and medium term measures in respect of planning and transport issues.

2.0 BACKGROUND

2.1 In the last few years the range and depth of scientific evidence regarding man made climate change has grown dramatically. It has been acknowledged for some time that the rise in the Earth's temperature and in greenhouse gas emissions, primarily CO_2, over the last 250 years has been more or less continuous and has more recently been accelerating rapidly. What has been in dispute until comparatively recently has been the issue of causation and what still remains a matter of debate is the likely impacts of those increases in CO_2 emissions. In terms of causation it is now accepted, across a very wide spectrum of scientific opinion, that this change is indeed man made and although rising temperatures can also be attributed to other causes (for example changes in the activity of the sun), the overwhelming view is that rising temperatures are driven by the inexorable rise in CO_2 emissions. Those rising temperatures have been illustrated graphically by the extension of desert zones in the world, the greater propensity for unstable and dramatic weather events, in particular hurricanes, and the impact on biodiversity with a significant decline in that diversity already recorded, as well as it being forecast to accelerate in the future. With the rise in temperatures, the ice caps are melting at a dramatic rate and glaciers are retreating across the globe with a resultant long term rise in sea levels. These trends and the consequences are now almost universally acknowledged as being upon us and a need for action also acknowledged.

2.2 The scientific debate has matured and gained very widespread acceptance. The recent highlighting of a range of email exchanges involving researchers at the University of East Anglia has caused some to argue that the data have been manipulated. Whilst the University has set up an Inquiry into this matter, which will report shortly, there remains a very substantial body of evidence which confirms a marked rise in the Earth's temperature and strong evidence that this correlates with recent human activity leading to a marked growth in CO_2 emissions. The will to act to tackle the crisis is littered with accusations of whose fault it is, who needs to act first and which sectors are the most to blame. At a global level, depending on which criteria you adopt, fingers point towards the U.S. or towards China, leaving others to say it's not their problem to lead. Until very recently both the aviation and shipping industries were remarkably adept at avoiding any recognition of their contributions to emissions. At the local level, debates about transportation seem to focus almost universally on the issue of

congestion, which is a short term issue compared with the more fundamental, longer term issue that the pollutants from the transport sector are a major national problem and that the availability of the oil which we use to power those vehicles which cause the problem, has probably passed peak supply. [see Appendix 1]

2.3 The bottom line is that all communities need to act – international, national and local. This paper is only about one part of the local story which is to identify what contribution the potential changes in our planning and transport strategies and associated actions can contribute towards tackling such a critical issue.

3.0 THE BASIC NUMBERS

3.1 The general consensus is that a greater than 2° Centigrade rise in the Earth's average temperature is likely to be catastrophic in terms of the effects on plant and animal life on the planet. In order to stand any chance of reducing that temperature rise, the CO_2 content of the atmosphere needs to be capped at around 450 parts per million; the current level is 430 parts per million. The government has adopted two very tough targets in order to make Britain's contribution to meeting this challenge with targets of reducing carbon emissions by 26% by 2022 and by 80% by 2050 from a 1990 baseline. The Climate Change Act 2008 has a target for the reduction of greenhouse gas emissions through a series of five year carbon budget periods and requires reporting to Parliament by an independent body of experts currently chaired by Lord Turner. The total volume of greenhouse gases emitted in 2007 was 636 million tons Some 85% of greenhouse gases comprise CO_2 so this is the critical focus of policy.

3.2 The principal sources of CO_2 emissions are:

Residential buildings	22%
Commercial buildings	11%
Transport	20%
Power sector	26%
Industrial sector	21%

3.3 Lord Turner's Committee on Climate Change has just published its second report[1] and the analysis and recommendations of the Committee were recently described by *Planning* as: "Turner's prescription involves nothing less than changing the face of the country as we know it"[2]. The Committee has set targets which is for a 35% reduction in emissions from homes by 2022, compared to the 2007 base and a 27% decrease for non-residential and industrial premises by the same date. For the transport sector, the Committee is looking for a 25% cut in emissions by 2022. Within the transport sector cars are responsible for 58% of the total emissions. The context of these targets is not particularly auspicious as between 2003 and 2007 greenhouse gas emissions were falling at less than 1% annually but for the period 2007 to 2012, they need to fall by 2% a year on average and thereafter they need to fall by 3% per year if the 2050 target is to be met. It is worth adding that the recent reduction in emissions is pretty much down to the Recession rather than to any impact of policy. Moreover, transport emissions rose by 11% between 1990 and 2007, during which time car use rose by 20%.

4.0 GOVERNMENT STRATEGY – A VERY BRIEF SUMMARY

4.1 Government strategy has evolved over the last few years with a marked build up of pace over the last two years. The centrepiece of the framework driving this

change is the Climate Change Act 2008 which has set out the ambitious targets outlined above and established the Committee on Climate Change, the intention of which is to both drive change through the system and to report on progress in the form of external auditing. A range of initiatives have been launched which include carbon trading; the option of a "feed in tariff" to encourage the development of renewables; the setting of enforceable performance standards for new buildings; the vehicle scrappage scheme (also aimed at countering the Recession); the establishment of the Infrastructure Planning Commission, designed to speed up the consent system for major planning applications; the announcement of a programme of electrification of the rail network; the publication of the supplement to Planning Policy Statement 1 which is the guidance document for planners, which deals with climate change.

4.2 The Committee on Climate Change has recommended a raft of initiatives which are intended to enable the country to meet these demanding targets. The Committee recommended that the government adopt specific maximum levels of carbon emissions in the first three carbon budgets which each span five years. These were adopted by Parliament in May 2009 and are legally binding. The Committee will deliver annual monitoring reports on progress against these budgets. There are two key points made by the Committee in their recent report: first, the recession will 'produce an over rosy impression of progress against budgets and undermine steps to drive long-term reductions'. Second, they state that 'a step change in pace of reduction is essential'. To hit the demanding targets, action will be required across the power, buildings and industry and transport sectors.

(i) Power Sector Measures

4.3 Delivering low carbon power requires, by 2022, in the Committee's view:

- the addition of 23 gigawatts of new wind capacity
- four CCS (Carbon Capture and Storage) power plants
- three nuclear power plants

The Committee also believe that the current market arrangements are not sustainable for delivering low carbon technologies and that government lending and price support mechanisms (such as the feed in tariff or renewable heat incentive) may be needed to drive investment in the right direction. There also needs to be urgent and significant moves to ensure grid access for wind generation where investors can't guarantee that the electricity generated by wind power can be used by customers because of grid congestion. The Committee also emphasises the urgency of timely approval of planning applications for wind projects – research has shown very long approval times and a high rate of refusals.

(ii) Buildings Sector Measures

4.4 In addition to the legal requirements already in place through Part L of the Building Regulations, the headline measures are:

- 10 million lofts and 7.5 million cavity walls insulated by 2015
- 2.3 million solid walls insulated by 2022
- 12 million (i.e. all) non condensing boilers to be replaced by 2022
- much greater penetration of A+ rated washing machines and dishwashers (80% by 2022) and A++ rated fridges (45% by 2022).

4.5 In terms of dealing with the existing building stock, the Committee advocates a 'whole house' approach involving an energy audit, followed by a package of

measures with effective financing mechanisms so that take up is not inhibited by the comparatively long pay back of some measures. The Turner Committee also sees the need for a street by street or neighbourhood approach, with local government taking the lead in partnership with energy companies to design and implement energy supply and building insulation measures. In the non domestic sector the government is currently consulting on the adoption of a path to zero carbon new buildings (in stages by 2019). Under the Carbon Reduction Commitment all major energy consumers (with bills over £500,000 p.a.) are required to participate in a carbon emissions trading scheme from April 2010. The City Council falls below this threshold. The Turner Committee is also recommending that all cost effective measures in central and local government sector buildings covered by the CRC should be implemented by 2018.

(iii) Transport Sector Measures

4.6 A significant advance in reduced emissions will come from the new EU emissions target which is that the current fleet average emissions for new cars should fall from 158 gm of CO_2 per km driven to 130 gm by 2015 and 95 by 2020. The Committee highlight that there is a practical limit to the scope for reduced CO_2 emissions for conventional cars which means that much greater reliance will need to be placed on the purchase and use of electric vehicles with the fleet rising to 1.7 million vehicles by 2020. The need to roll out many more electric vehicles should be trialled first by pilot projects in several cities. Eco driving habits also need to be encouraged on a widespread basis given that fuel consumption rises markedly with rapid acceleration and with speed increases from 60 to 70 mph and upwards. The Committee is also convinced that road pricing can contribute significantly to emission reduction as can a programme of 'Travelsmart' type initiatives. Finally, the Turner Committee also advocates more effective land use and transport planning with urban regeneration, sustainable urban extensions, mixed use schemes and investment in public transport infrastructure being strongly supported.

5.0 LOCAL PROGRESS

5.1 Policy and practice across the planning and transport sectors requires a massive change of direction compared with the established wisdom based on practices going back many decades. Changing the direction and focus of policy is like turning the proverbial super tanker. There are individual signs of good practice which can point the way to the future. A range of public and private organisations are focused on reducing their carbon footprint and there are strategies in hand that address this through better construction, changes in transport practices, better recycling and changes in personal behaviour. The City Council has adopted a comprehensive strategy for addressing Climate Change which was reported to Executive in January 2008. This commits to action in five policy areas:

- raising the energy efficiency of buildings, including the Council's own stock
- reducing transport linked emissions
- reducing emissions linked to waste disposal
- proving community leadership
- taking measures to adapt to Climate Change

5.2 The City Council has more recently initiated work on reducing carbon emissions across the city, to look at areas of particularly high impact, focusing on Exwick and the industrial estates. That work will be reported to Members shortly and will help the preparation of specific initiatives, one for social housing in Exwick and a further for commercial properties at Matford and Marsh Barton. The Cranbrook

scheme will deliver a high level of sustainability with homes reaching the Code for Sustainable Homes Level 4, which is underpinned by the provision of a Combined Heat and Power plant at Skypark.

5.3 Despite these beginnings of good practice, and despite an acceptance at an intellectual level that we have to do something about our carbon emissions, the day to day level of the argument has barely advanced. The normal dialogue with developers demonstrates the continuing reluctance to accept that with respect to building design, energy supply and transport provision dramatic change has to happen. The normal response is: "we can't afford to do this, particularly in the current Recession". As the Stern Report[3] pointed out, we simply cannot afford to ignore this challenge and if we don't make the requisite investment now, economic losses in due course will be far greater. Neither has the transport debate moved on greatly. There is an acceptance by transport professionals that we need to switch to public transport, cycling and walking which a significant proportion of the public appear to share.[5] But, the practical measures that are taken to deliver this modal shift, such as bus lanes, cycle lanes, pedestrian crossings and pedestrianised streets, are often met with hostility from many, with accusations of being "anti-motorist" or simply unrealistic in expecting people to leave their cars at home more often. One understands the allure of door to door transport and the convenience it provides, but the bottom line is that our carbon profligate lifestyle is unaffordable in terms of its impact on climate change. There is also every indication that our hydrocarbon supply that underpins the lifestyle enjoyed by many during the last century has passed its peak[4]. [see Appendix 1] The price rise to $150 a barrel in September 2007 was a pointer to what will happen as the economy picks up and new reserves are harder and harder to find.

6.0 WHAT SHOULD WE BE DOING LOCALLY?

6.1 With an emerging framework from the Copenhagen Conference setting the global agenda and the Climate Change Act 2008 setting the national framework, there is a strong need to be clear about the opportunities for local action and our responsibility to deliver a contribution to this framework. We are at a crucial moment for defining planning and transport strategy for the next 10 – 15 years. Regarding the former, we are well down the road in preparing the City's Core Strategy which is designed to provide the statutory framework for the period up to 2026, and for the latter, the County Council has begun work on its third submission of the Local Transport Plan. Both these documents will shape Exeter's growth and provide the context for a whole range of investment decisions affecting new development and future behaviour. It needs to be recognised, however, that both these documents could easily be a collection of warm words and high level aspirations. If, however, they focus on the carbon challenge and on the recommendations of the Turner Committee, these will help set the tone and direction for a new set of initiatives that we need to consider in Exeter to address our responsibilities.

6.2 The papers that follow cover the three principal areas of concern:

(i) Land use planning and development management (primarily for Planning Member Working Group)
(ii) Transportation Strategy (primarily for Scrutiny Economy)
(iii) The City Centre (primarily for Planning Member Working Group)

6.3 There are a range of other initiatives and actions that contribute to meeting the necessary reduction in carbon emissions in the City that fall outside these three

areas. These are the subject of separate reporting to Community Scrutiny, the most recent of which was in November 2009 and flagged the resource shortages in pursuing the scale of programme needed for improvements to the existing stock of public and private rented sector housing.

7.0 RECOMMENDATION

7. Members are asked to

(i) note the considerable challenge facing the City and County Councils in securing the major reductions in carbon use that are necessary;

(ii) support the strategy and measures proposed by the Turner Committee;

(iii) endorse the actions in the attached papers as the City's contribution to meeting its carbon reduction obligations; and

(iv) report to Members annually on progress.

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:-

1 Meeting Carbon Budgets – the need for a step change. Progress report to Parliament. Committee on Climate Change. October 2009

2 Tough Acts to Follow. Planning. 23 October 2009.

3 Review of the Economics of Climate Change. Stern. 2006

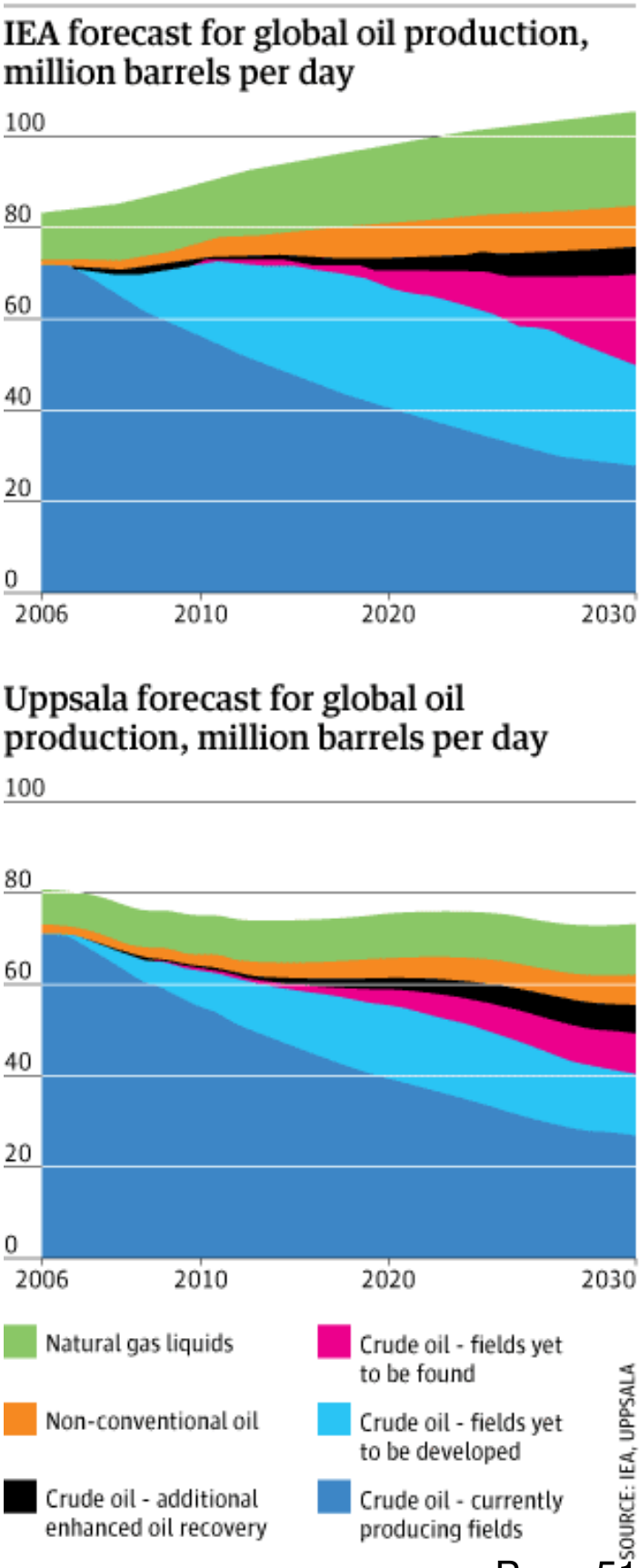
4 The Peak of the Oil Age. Kjell Aleklett. University of Uppsala. 2009

5 Travel Behaviour Research. Baseline Survey – Exeter. Socialdata. 2008

APPENDIX 1

FUTURE WORLD OIL PRODUCTION

Contrasting views



There are marked differences of view about the future global supply of oil. The International Energy Agency (IEA) has an allegedly optimistic view of future supply. The first graph shows the expected supply position according to the IEA though one of its senior staff claims that the Agency has been underplaying a looming shortage. Professor Kjell Aleklett of Uppsala University has in his recent report 'The Peak of the Oil Age' produced rather more cautious estimates which are also shown, suggesting that the Earth has already passed 'peak oil' supply.

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EXETER CITY COUNCIL

SCRUTINY COMMITTEE – ECONOMY
21 JANUARY 2010

EXECUTIVE
9 FEBRUARY 2010

LAND USE PLANNING AND DEVELOPMENT MANAGEMENT

1.0 PURPOSE OF REPORT

1.1 This report looks at the changes that are needed in our land use policies and actions if we are to address the challenge of climate change set out in the previous paper.

2.0 CONTEXT

2.1 The design of new buildings needs to change significantly if we are to begin to address the challenging carbon reduction targets that have been adopted. Whilst this is a very important issue for the long term, the building stock changes nationally at less than 1% per annum, though for Exeter the rate is rather higher. There is thus an equal, if not greater, imperative to address the existing building stock and the way in which we use it.

2.2 The drivers of emissions with respect to our use of buildings are:

- the spatial distribution of activities
- the thermal qualities of buildings
- how buildings are used by their occupants, including the way they are heated.

2.3 This paper seeks to outline the issues which the local planning system needs to address and proposes a set of actions which Members may wish to consider.

3.0 CURRENT PROGRESS

3.1 The area of greatest progress has been in the setting of targets for the construction of new residential property. The government launched the Code for Sustainable Homes in 2007 which set demanding targets for new home design, with the energy performance of buildings set to ratchet up over a period of a decade. These are more than simply targets – the measures involve adherence to Part L of the Building Regulations, which require successively improved standards of energy performance. The targets are as follows:

Level	Percentage reduction in emissions from a 2006 base	Year
3	25%	2010
4	44%	2013
6	zero carbon*	2016

* zero carbon: met through a 70% reduction in regulated emissions and the remaining regulated and unregulated emissions through allowable solutions.

3.2 The ability to meet these targets is comparatively straightforward at the lower Code levels through improvements in the fabric and air tightness of buildings and with the installation of fuel efficient boilers. However, as one rises up the Code levels, dramatic changes need to take place in terms of new forms of building design and in terms of different systems of heat supply. The basic design principles have been established through an extensive programme of new building in Germany with the "Passivhaus" principle pioneered by cities such as Freiburg. The City's energy efficient housing standard has led to reductions of up to 80% in average household energy consumption and the Passivhaus achieves greater reductions. Low energy housing in Freiburg costs around 7% more to build than traditional housing, but energy consumption falls by up to 80% and CO_2 emissions have reduced by 30%. Energy bills are typically 1,000 euros a year per dwelling less than traditional houses.

3.3 With regard to commercial buildings, the establishment of new standards has been slower. In early 2009, the government consulted on a similar approach for all commercial property with the intention of requiring a 25% reduction in emissions by April 2010, 44% reduction by 2013 and zero carbon by 2019. In November 2009, the government issued a detailed consultation document on policy options.[1] The summary of the options and our proposed response is attached as Appendix 1 to this paper.

3.4 These two measures are perhaps the most critical for the longer term, although alongside this is the innovation pioneered by the London Borough of Merton which has driven renewable energy strategies around the country. Whilst the most important issue is to reduce energy consumption by better design, what the Merton Rule has done is to set a standard whereby new developments deliver 10% of their energy needs from renewable sources. This policy initiative has now become widespread across Britain. Indeed, the City Council has been applying this as a condition for some two years, along with a requirement to submit an energy assessment.

3.5 The Supplement to Planning Policy Statement 1 on Climate Change[2] sets out a wide range of measures that local authorities should adopt in terms of reducing vulnerability to climate change. The document makes it clear how important the planning system is in supporting 'the delivery of the timetable for reducing carbon emissions from domestic and non domestic buildings'. It can, indeed, deliver the ambition of zero carbon development. The PPS advises that spatial strategies need to be prepared which help deliver the climate change programme, assist the expansion of sustainable energy systems, deliver sustainable patterns of development, enhance biodiversity and support the use of more sustainable modes of transport.

3.6 Specific advice in the Supplement is also worth highlighting:

- sites being identified for development should consider the extent to which low carbon energy supplies can be facilitated and a realistic choice of access by public transport, cycling or walking can be achieved
- local planning authorities should have an evidence based understanding of the potential for renewable and low carbon technologies to supply new development

- o opportunities should be taken to co-locate potential heat customers and heat suppliers and planning authorities can expect the proposed development to connect to a system or be designed to be able to connect in future and be expected to contribute to securing a decentralised energy supply system
- o local planning authorities should make use of Design and Access Statements to obtain information from applicants on how they will meet PPS1 requirements
- o new development should be planned to minimise CO_2 emissions, ensure the use of sustainable urban drainage systems (SUDS) where feasible, provide for sustainable waste management and secure sustainable transport

3.7 In terms of endeavouring to reduce emissions locally, there has been some good and measurable progress. The City's draft Core Strategy sets out a comprehensive range of sustainable development policies which are in line with PPS1 and its Supplement. The key to Exeter's future growth is the need for effective and integrated planning for the new community at Cranbrook and for the delivery of urban extensions in Monkerton, Newcourt and at Alphington. Some may argue that these urban extensions will no longer be necessary because of artificially high levels of household projections by the government in recent years. In practice, however, household formation, birth rates and life expectancy point to a significant growth in the population of the city, albeit this may not be at the top end of the spectrum which would require land to be allocated beyond these three urban extensions. The planning for those three urban extensions is well underway, with the preparation of draft Master Plans completed for Newcourt and for Monkerton, with the work for Alphington to be completed shortly. The principal features of those Master Plans are: comparatively high average net density (for Exeter) of 50 dwellings per hectare; core public transport spine routes, including the High Quality Public Transport service; extensive walking and cycling networks; green infrastructure corridors to promote biodiversity; and a mix of uses on a sufficient scale such that the need to travel can be minimised and opportunities for combined heat and power are maximised. The value of these draft Master Plans and the integration of this work with other projects in the New Growth Point is the ability to comprehensively plan and deliver Renewable Energy infrastructure by balancing heat loads and ensuring that such systems are viable.

3.8 In terms of delivery, there are positive signs that attitudes are changing along with designs. There is a considerable effort by a wide range of partners such that the new community at Cranbrook will be built at Code for Sustainable Homes Level 4. The New Community Partners have agreed to supply Cranbrook with heat from a Combined Heat and Power (CHP)[*] plant to be provided at Skypark and have agreed to forego gas supply to housing in the new community in order to ensure the investment in sustainable energy supplies is underpinned. This has, however, required significant public investment, particularly from the Homes and Communities Agency alongside substantial risk investment from the principal provider, EoN. Within the city, the Council's new build programme for new housing will deliver Code for Sustainable Level 4 homes, as will any dwellings provided by Registered Social Landlords. At Rennes House, if the application for funding is successful, Level 6 will be achieved through careful and creative design.

[*] Combined Heat and Power is a plant where the heat from power generation is recovered to form usable energy. The heat will be distributed through a network of pipes..

3.9 All of this is an encouraging start but when we compare ourselves to progress by cities such as Freiburg, we still have a very long way to go. There is no comprehensive programme to dramatically improve the existing building stock and the level of modal shift achieved so far in Exeter has been modest in comparison with European experience. Contrast this with Freiburg, which has achieved a 7.3% reduction in carbon dioxide emissions between 1992 and 2005. This has been the result of a number of measures, including high energy efficiency standards for new buildings, and ambitious schemes to improve the energy efficiency of existing buildings, through grants to householders. The provision of public transport, cycling and walking alongside the prevalence of car sharing through car clubs, is such that in the new suburb of Vauban in Freiburg there are only 150 cars per 1000 people compared with 450 cars per 1000 people in Exeter. In Freiburg, 23% of people drive to work alone compared to 50% in Exeter. The contrasts are dramatic and the challenge is real. Further information on Freiburg's achievements is contained in Appendix 2.

4.0 CHALLENGES TO DELIVERING ZERO CARBON

4.1 There are a number of key challenges for officers and Members to address when looking at the future form and nature of development and the future priorities for the City's planning function. Several of the fundamental planning principles that have underpinned British planning since its inception will be challenged. They will potentially have a lower priority if we are to significantly reduce carbon emissions. British planning has focused very strongly on the general principles of urban containment, landscape protection and aesthetics. Apart from a limited number of showpiece schemes, the house building sector has, by and large, exercised extreme caution in changing its approach to design, claiming that the customer is resistant to looking beyond standard house types with dedicated individual parking provision. There has also been a resistance to change unless it is underpinned by legislation. The planning system has tended to be driven by the historic view that employment and housing should be separated because, in the immediate post-War period when the planning system was established, industrial uses were largely incompatible with nearby residential neighbours. Another received wisdom has been to avoid construction on higher ground because of landscape impact yet the clear guidance from government to avoid risks from development in flood plains is such that we will have to turn our attention to more exposed sites which is likely to impact on landscape character.

4.2 To maximise public transport use and to maximise the economic prospects for CHP – and both are essential in moving towards zero carbon – higher densities are crucial. Though Members have been critical of such schemes as Central Station Yard and the properties at King's Heath fronting the bypass, because of the use of four storeys or more, the schemes do have the benefits of minimising land take and maximising the scope for public transport and CHP use. In terms of the densities achieved, these schemes need to be seen as precedents which can be repeated elsewhere in the city centre or as part of the three urban extensions. Housebuilders are however resistant the provision of flats outside city centres. There is also now a very clear imperative from an energy efficiency viewpoint, that employment, housing and leisure uses should be broadly co-located because, together, they provide a balanced heat load which can make CHP economic. All of the emerging Master Plans for Monkerton, Newcourt and Alphington envisage a greater mixing of uses than has previously been the case and it is essential that Members, house builders and the public accept that these fundamental changes are needed if we are to dramatically reduce CO_2 emissions. The proposed form of development at Monkerton is also a departure

from previous practice in respect of skyline protection – the previous practice of preventing development occurring above the 34m contour is abandoned in the desire to achieve an effective layout which is not artificially constrained.

4.3 Delivering a CHP system and heat energy network for each of the urban extensions will be a major challenge in itself, given that a de-regulated energy market and consumer choice, mean that it will be quite difficult to devise schemes which will have the necessary large scale and long term "buy in" to make them cost effective. Despite the lack of statutory powers (beyond Building Regulations), it is essential that the local authority takes the lead in pushing house builders and commercial developers to engage in this kind of collaborative solution. It is only the pressure of national legislation in the form of tighter Building Control Regulations regarding emissions that will drive developers and investors down this road and it won't be done voluntarily. The City Council needs to follow the lead of the New Growth Point team which has been successful in acting as "ring master" in pulling together developers and energy providers alongside public funding to successfully deliver CHP for Skypark and the new community. This approach is, indeed, being adopted for development at Matford and has great potential at Monkerton, Newcourt and Alphington.

4.4 A further and significant challenge to established attitudes will be with regard to individual house design. The Building Research Establishment has a large programme of research, looking at how zero carbon homes can be designed and delivered. Examples of those housing types have been built at the BRE in Watford. Illustrations of these schemes are appended to this report [Appendix 3] provide a stark contrast to the type of houses that are built by the conventional market. A number of landmark schemes have been built in developments around the country to deliver low or zero carbon, and again a number of these are illustrated in the Annex. All of them point to the need for radical change in the way in which we view the acceptability of different house designs. The move to greater prefabrication of buildings, in order to improve air tightness, will also affect the appearance of new properties.

4.5 At a further level of detail there are design elements which also need to be accepted as a departure from past practice: the provision of renewables; innovative roof design that includes green roofs or photo voltaics; the use of permeable materials on surfaces around houses to reduce run-off; and the prefabrication of substantial elements of the structure off-site. Design elements also influence travel behaviour; for example a lack of bicycle storage will discourage residents from owning bicycles which they could use instead of a car for short journeys. The draft Residential Design Guide will reflect these emerging design issues along with the need to accommodate micro-renewables and provide for bicycle storage. The government recently announced changes to Permitted Development rights in respect of renewables and low carbon technology and these changes are summarised in Appendix 4.

4.6 In following through these changes in the standard of design and delivery, it is not clear that we have put in place a framework to ensure that the Planning and Building Control teams work sufficiently closely together at the formative stages of design, nor that the two sets of professionals have the skills necessary to advise applicants on design detail. Neither can we demonstrate that we have in place the full range of practical strategies that are needed to deliver our polices on reducing our carbon footprint.

5.0 A PROGRAMME OF ACTION

5.1 The following programme of action is suggested as necessary to put the strategy and delivery functions of the planning system onto the right footing, if we are to begin to tackle the carbon challenge.

(i) Work on the Council's Core Strategy

5.2 Work is well in hand and needs to be pursued with urgency whatever the complications arising from the lack of an approved Regional Spatial Strategy. There are a wide range of polices contained within the draft Core Strategy which need formal endorsement so that we can apply them with a degree of confidence so that they will be backed by Inspectors on appeal. We have completed consultation on the Core Strategy and a draft document will be returned to Members for their consideration later in the Spring. An Inspector is likely to consider the Core Strategy at Inquiry in Autumn 2010, followed by adoption in Spring 2011. The second critical element in ensuring progress with the strategic planning framework is to adopt a set of Master Plans for Newcourt, Monkerton and Alphington which are consistent with the aims of the Core Strategy to provide a framework for developers to work to. The biggest threat to sustainable urban extensions is a piecemeal approach to development based on individual land owner interest. Thus, as soon as we have completed the Master Plans, these need to be approved by Members as interim guidance prior to their being brought forward for adoption as Supplementary Planning Documents which will form part of the Local Development Framework and therefore will have statutory backing. Unfortunately, the latter cannot be completed until the Core Strategy is approved so the full force of these documents will only come into play in 2011.

(ii) A Sustainable Energy Strategy for each urban extension

5.3 Work commissioned by the New Growth Point team from Regen South West in connection with the plans for the new community has demonstrated how sustainable energy supply networks can be created and CHP delivered. The Lead consultant, Tony Norton, from the Centre for Energy and the Environment, continues to advise the authority on specific measures to be taken on individual developments. To date one piece of work has been completed on reducing carbon emissions and reducing fuel poverty in Exwick. Tony Norton has also been advising the Council on how to put together a commercial plan for the use of the heat being provided by the Energy from Waste (EfW) Plant which is consented on Marsh Barton so that existing commercial heat users on Marsh Barton save energy, save money and reduce their carbon footprint by tying into this network. He is also assisting us with negotiations with Eagle One regarding their commercial employment site at Matford Marshes which will be considered by Planning Committee later in the Spring. This is to ensure that a site wide energy supply system can be provided in this new development with the heat or steam provided from the EfW plant.

5.4 In the latter case and in the case of the New Community, the approach has been to use external advice to develop a strategy and then engage developers and energy suppliers in a collaborative effort to secure an agreed sustainable energy solution. As long as the government continues to enforce and ratchet up standards in Part L of the Building Regulations, then the economics of such provision will increasingly improve, but in the interim public sector financial support is still likely to be necessary to bridge the gap in financing. It is proposed that the University with Tony Norton continue to advise the Council on

appropriate strategies for delivering sustainable energy supplies for Newcourt, Monkerton and Alphington, with funding provided by Housing and Planning Delivery Grant or through the Council's Climate Change Levy.

(iii) Lobbying on legislation

5.5 The only reason we are seeing some movement on this issue is that the government have laid down a firm trajectory to achieve zero carbon residential development and more recently set out its intentions in relation to commercial buildings. It is worth noting that several years ago when this was first launched for residential construction, the house builders' view was that they would lobby for the standards to be watered down or deferred. In Scotland, there is a current active lobbying campaign to push back the timetable for reducing emissions in new construction. Thus, it is crucial, if we are to address the carbon challenge, that the Council, along with other authorities through the LGA, continue to lobby government on the importance of both sticking to the residential carbon emission standards and adopting the same firm targets for commercial construction.

5.6 Another conundrum which has not been resolved is the government's very positive view about the role of the Building Control service in delivering its climate change objectives but its continued acceptance of a disjointed delivery of this service because of the independence of Approved Inspectors. Where the City Council is responsible for both Development Control and Building Control Approvals, there is the prospect of real synergy in ensuring that these demanding CO_2 reductions are met at the earliest stage of the design process. But the difficulty with the Approved Inspector system is that there is simply no tie up between them and the local authority Building Control service, nor with its Development Control function. The issue does need to be addressed if effective, integrated working is to occur.

(iv) New skills

5.7 Our existing approach involves using a sustainability checklist to review the performance of submitted schemes. Building Control also check the SAP (Standard Assessment Protocol i.e. energy) ratings of proposals. The Council also normally applies a 10% renewables condition and an energy assessment condition. It has been acknowledged by staff that their knowledge of sustainability issues is limited compared to their detailed technical knowledge of a wide range of other long standing planning issues. It is proposed therefore that a programme of training and mentoring is put in place facilitated by external advisers to ensure that the team gains confidence in dealing with such issues. Members need to advise whether they wish to be party to some of this training as well. Again, this would be funded by Housing and Planning Delivery Grant.

6.0 FUNDING

6.1 The biggest challenge over the next five years is funding the necessary infrastructure to ensure the delivery of sustainable communities. Until two years ago a combination of significant public sector investment and Section 106 funding from rising land values delivered significant infrastructure packages in association with new development. Whilst the scale of public sector funding remains in place for the moment, the landscape with regard to Section 106 funding has changed dramatically. There has been a very widespread perception that whatever a community needs (or wants!) can be funded through a Section 106 so the list of requirements has grown longer and longer. To underline the dramatic nature of the change, it is worth reflecting that the County Ground site which was sold at the top of the market fetched some £2 million an

acre for residential uses. The Exeter market generally delivered in excess of £1 million an acre until late 2007.

6.2 It is very difficult to put a firm figure on current land values because of the impact on the market over the last year of the many 'distress sales' as builders and developers have had to off load assets at prices that were way below the then prevailing market prices. Nevertheless, the evidence suggests that, at present, values are in the range of £200-400,000 an acre, which is a fraction of their former value. Furthermore, detailed analysis by one of those house builders at a conference in 2008 made it clear that the fall in house prices, the rising expectations of Section 106 Agreements and the forthcoming implementation of Code for Sustainable Homes Level 6 in 2016 would soon result in negative land values. This clearly is an untenable position since in this situation sites will not be brought forward for development until either the market changes or the 106 'overhead' reduces. If development is to take place, trade offs and choices will have to be made in terms of 106 funding priorities. Furthermore, during this period it is widely accepted that public sector funding will be reduced significantly and yet of course in more benign times it has been crucial for delivering the Cranbrook new community.

6.3 Members will therefore be very shortly faced with the choice of priorities they wish to see delivered, rather than having perhaps the luxury in the past of being able to select all of them. At the moment, the major items are:

- Affordable Housing – currently set at 25% which Members have already resolved they wish to see increase to 35%. Members should note that the market could deliver an affordable house with £30,000 as a subsidy two years ago, the typical subsidy is now £60,000 per dwelling and higher in certain cases.
- Education Contributions – our standard contribution for a secondary space is £2,519 per two (plus) bed dwelling and £2,769 per two (plus) bed dwelling for a primary school place.
- Transportation – with multi million pound contributions being required for highway schemes, along with significant contributions for public transport.

6.4 Lesser sums are also required for items such as play space provision, amenity space provision and maintenance, public art, security, public realm enhancement and so forth.

6.5 It is worth pointing out that all of Exeter's future housing and employment growth areas are focused around the Trunk Road or Motorway network. This potentially has a significant distorting effect on the funding regime for future development as the Highways Agency has the power of veto over any development impacting on the strategic highway network. The power of Direction from the Highways Agency means that it can prevent the local planning authority from determining an application and can indeed direct refusal if they are unhappy with a proposed development. Whilst Directions for Refusal are very rarely used, the use of Holding Directions tends to encourage third parties to work to the Agency's agenda if a planning application is to gain consent. The result is that a significant amount of resources often has to be devoted to highway network enhancements, if an application is to gain consent. The Science Park Planning consent is a good example.

6.6 Whilst Members themselves have frequently expressed concerns about congestion, one has to ask the question whether, when set against the overriding

concern of climate change and the need to provide a roof over people's heads, such large scale investment in meeting those fixed design standards is justified. It is suggested that if we are looking to prioritise future Section 106 negotiations and funding bids to address our problems, investment in sustainable energy, affordable housing, new school provision and public transport enhancements would come a considerable way ahead of simply investing in peak hour highway infrastructure so that people can travel by car at a time that is convenient to them. This may sound provocative but it is a real choice we will face in the next few years in trying to fund the delivery of sustainable communities.

7.0 CONCLUSIONS

7.1 This paper has outlined the key challenges we are currently facing in delivering sustainable communities and has set out a range of actions which are either in hand, or need to be considered. It is not intended to be comprehensive, but is designed to guide Members on their short and medium term priorities and to seek their approval for the long term strategy.

8.0 RECOMMENDATION

8.1 It is recommended that Members:

(i) endorse the change in land use planning priorities and design philosophy outlined in Sections 4 and 5 in particular relating to the co-location of uses and adopting higher densities;

(ii) endorse the development of a sustainable energy supply strategy for the City's growth areas with an implementation plan based on advice from the Centre for Energy and the Environment;

(iii) lobby the LGA to ensure that:

- government provides a comprehensive policy and funding regime for delivering whole house/neighbourhood enhancements to secure substantial reductions in CO_2 emissions
- government maintains a firm line on the Code for Sustainable Homes and for the parallel tightening of Part L of the Building Regulations for commercial premises
- government addresses the lack of an effective tie up between Approved Inspectors and the Local Planning Authority in delivering low carbon designs

(iv) approve the draft responses to the consultations on zero carbon in new non domestic buildings at Appendix 1 and on permitted development rights for small scale renewables at Appendix 4.

(v) agree the need for appropriate training for staff and, if desired, Members to ensure they are skilled in this new area of work; and

(vi) ensure that the finalised Residential Design Guide adequately addresses all of those issues relating to sustainable design.

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:-

1. Zero Carbon for new non domestic buildings. Consultation on policy options. Communities and Local Government. November 2009.

2. Planning and Climate Change. Supplement to Planning Policy Statement 1. Department of Communities and Local Government. December 2007.

APPENDIX 1

PROPOSED RESPONSE TO GOVERNMENT CONSULTATION ON ACHIEVING ZERO CARBON IN NEW NON DOMESTIC BUILDINGS

Summary

1 The consultation, published 24th November 2009 and closes 26th February 2010, relates to proposals for working towards the Government's ambition that all new non-domestic buildings should be zero carbon from 2019, with the public sector leading the way from 2018.

2 This brief summary highlights the main subject headings where the department are inviting comments. In line with other recent consultation papers, it is expected that the CLG will issue a paper in the spring identifying the responses before making new regulations.

The Framework

3 The broad framework is based on;

1 The building fabric and building services '**Energy efficiency'**

2 On-site or linked low and zero carbon technologies, referred to as **'Carbon compliance'**

3 **Off-site zero carbon technologies, referred to as** 'Allowable solutions'

N.B. Heat and energy generation will also be eligible for Feed in Tariffs or Renewable Heat Incentives, providing future income streams.

4 The consultation paper recognises that non-domestic buildings are often more complex and larger scale than homes, so each such development more regularly involves greater technical input in design and construction and a closer level of Building Control involvement and oversight.

On-site Element

5 Non-domestic buildings often have greater potential for on-site renewables and to play a critical role in the viability of community heat or energy. A menu of options for abating the remaining carbon emissions off-site will be developed that will include:

- Further carbon reductions on-site beyond the regulatory standard
- Energy efficient appliances meeting a high standard which are installed as fittings
- Advanced forms of Building Control system which reduce the level of energy use
- Export of low carbon or renewable heat from the development to other developments
- Investments in low and zero-carbon community heat infrastructure

Public sector leadership

6 It is recognised that the public sector can play a significant role in supporting market development of low and zero carbon buildings – for example the Eon partnership at Cranbrook where a CHP scheme is proposed.

7 It is the CLG's ambition to move to zero carbon for the public sector by 2018, one year ahead of the regulations, for key estates such as Schools, NHS, MOD and the Prison Service. Building Control are currently working with NPS on Devon's first zero carbon school to be built in Exeter [Montgomery].

Off-site measures

8 Achieving net zero carbon emissions on-site through energy efficiency and on-site measures can be prohibitively expensive and for most building types and locations is not technically possible. This means that there will be remaining/residual emissions that need to be tackled in order to meet the zero carbon standard through off-site measures – these are termed 'allowable solutions'.

9 The systems for the delivery of allowable solutions will need to be up and running by 2016 on a major scale.

Regulated and unregulated emissions

10 Regulated energy covers the energy used by the building fabric and fixed building services such as lighting, heating, hot water and mechanical ventilation. Unregulated energy is all the other energy use, for example, the energy used for computers, machinery, lifts and other processes carried out day to day in buildings.

11 CLG are considering whether to extend the coverage of Building Regulations to cover certain excluded energy uses, and that an element of unregulated energy should be included in the zero carbon standard. This approach reflects the 'polluter pays' principle, given that the development of new buildings will add to overall UK carbon emissions.

Response to Consultation

12 The attached Annex sets out a proposed response to the consultation.

Alan Stokes
Building Control Manager
3 December 2009

Proposed response to CLG consultation questions

Q1. *Do consultees agree that we should establish challenging energy efficiency standards for non-domestic buildings covering space heating and cooling, and measures on a kWh/m^2/year basis?*

If not, why not, and what approach to setting energy efficiency standards would you prefer?

Response
Yes – a similar approach to that being developed for zero carbon homes should be adopted for non-domestic buildings as a matter of priority.

The guidance for the building fabric and components would need to take into account the use of the building where strict energy efficiency standards would not be appropriate for certain non-domestic buildings such as warehousing.

The 'delivered energy metric' approach would need to be assessed against the Energy Performance of Buildings Directive requirements – a summary of EPBD consultation paper is included in Annexe A of this report.

Q2. *Which of the three scenarios would you favour as a basis for setting on-site aggregate targets for zero carbon trajectories and why?*

Response
Whilst Scenario 1 [off-site rich] results in the lowest cost per tonne for $C0_2$ saved, it would actively prioritise the development of off-site community scale schemes like district heating networks.

It would be reasonable to develop such schemes for larger scale developments, but it could be unrealistic for one-off schemes, given the potential impact on development viability.

Q3. *What views do you have on the impact of the costs of building to zero carbon standards in different sectors? How and why does sensitivity to new build costs differ between sectors?*

Response
The commentary highlights the fact that community based schemes will provide lower costs overall that those designed to maximise the performance of individual buildings.

As our expertise does not extend to building costings, our response needs to be cautious. However, with regard to the sensitivity of new build costs, the end user will have an impact on the scheme, ie the difference between a speculative development and a public sector facility.

Q4. *Do you agree that we should adopt the same measures and approaches for allowable solutions for non-domestic buildings as those for homes?*

Response
The indicated allowable solutions are;

* Further carbon reductions on-site beyond the regulatory standard

* Provide greater certainty and commercial opportunity to new businesses starting up to service the allowable solutions market

* Enable the use of allowable solutions for non-domestic buildings at the same time as homes would allow both sectors to work together to exploit economies of scale

* Create marker certainty for investors and developers of community scale infrastructure

* Provide a consistent framework for mixed developments to ensure all buildings adopt the same approach

It seems appropriate to adopt these measures for the non-domestic market.

Q5. *Are there any extra allowable solutions that should be used specifically for non-domestic buildings?*

Response
Controls relating to the use of artificial lighting where premises are unoccupied could provide a valuable reduction in carbon emissions.

Retail premises, particularly car showrooms, often have a high level of lighting to illuminate displays when the premises are closed.

Where it can be demonstrated that controls are in place to extinguish lighting when the premises are effectively closed could be included as an allowable solution.

Q6. *Do you agree with the proposal to introduce an element of allowable solutions for non-domestic buildings at 2016? What views do you have on the level at which this should be set, and the impact this will have?*

Response
Yes – the non-domestic target is currently programmed to run three years behind the domestic market with a level of 70% improvement from 2016 rising to 100% from 2019 discussed in the consultation paper that appears appropriate.

Although off-site technologies need considerable development, the industry requirements for the domestic market will provide the framework for this to be developed.

Q7. *Do you favour an approach of setting a flat rate requirement above 100 per cent regulated emissions to account for unregulated emissions?*

Response
The adoption of a flat rate requirement for unregulated emissions [energy used for computers, machinery etc] must take into account the building type where for instance for a retail warehouse the unregulated emissions are likely to be a small percentage of regulated emissions, whilst within a small office they are likely to be extremely high.
The flat rate approach would provide consistency but may stifle innovation on individual projects.

Q8. *Would you favour the 10 per cent allowance, the 20 per cent allowance or another rate? Why?*

Response
As stated earlier, our expertise does not extend to building costings, I therefore cannot provide a worthwhile opinion here, however, the consultation paper assesses that applying a 20% flat rate is about equivalent to the costs of using the allowances assumed in SBEM [Simplified Building Energy Model] as a proxy for unregulated energy use.

Q9. *Do you agree with the overall work programme we have outlined for the public sector?*

Response
Yes – the proposal to move to zero carbon for new public buildings a year ahead of regulation ie from 2018 will help to establish a programme of exemplars for a variety of types of public sector buildings.

This will enable testing and learning of technologies and techniques associated with zero carbon ambitions [NPS are currently designing a new zero carbon school, in Exeter on behalf of Devon County Council].

Q10. *Are there other ways in which the public sector could usefully provide leadership for the move to zero carbon?*

Response
The exemplar buildings programme will assist design teams working in the private sector with practical knowledge of technologies and techniques assisted by the TSB [Technology Strategy Board], set up to advise Government on how to remove barriers to innovation.

Q11. *Do you agree that the public sector should start trialling allowable solutions from 2015?*

Response
This is seen as a practical way of assessing the costs and benefits involved in allowable solutions, where public sector buildings are in a position to take part in district heating schemes, playing a key role as anchor leads.

Q12. *What role(s) do you think local government can play in contributing to public sector leadership on zero carbon buildings?*

Response
By the adoption of local strategies and action plans for delivering zero carbon on individual sites. Also by leading on the procurement of suppliers for major developments.

Q13. *Does this package of measures and proposals for next steps address the key delivery issues to make progress towards the zero carbon ambitions? If not, what action is needed and by whom?*

Response
The proposals set out in the consultation paper, linked to the ambitions for zero carbon agenda for dwellings by 2016, highlight key issues that will enable legislation to be made through The Building Regulations for deliverable targets in 2013, (and subsequently in 2016 and 2019).

Annexe A

- DEC to be displayed in buildings larger than 250m² that are occupied by a public authority
- EPC to be displayed in commercial buildings larger than 250m² that (a) are frequently visited by public and (b) where an EPC has previously been produced on the sale, rent or construction of that building
- the energy performance of existing buildings of any size that undergoes major renovations to be upgraded in order to meet minimum energy performance requirements. Currently, there is a threshold of 1,000m²
- minimum energy performance requirements to be set in respect of technical building systems, e.g. boilers, air-conditioning units etc
- Commission to establish common principles for definition of low and zero carbon (LZC) buildings. The definition of LZC to be determined by Member States but it must be in accordance with the principles set by the commission
- requirement to set targets for increase in LZC buildings with separate targets for:
  - new and refurbished dwellings
  - new and refurbished commercial buildings
  - buildings occupied by public authorities
- Member States to aim for cost optimal levels of energy performance of their buildings using a methodology developed by the Commission

APPENDIX 2

FREIBURG SOLAR CITY

SolarRegion Freiburg is a long term development vision that the city of Freiburg in southwest Germany has embraced since 1986, which has resulted in multiple benefits for both the environment and the local economy.

Origins

Freiburg is a city of 205,000 people that was founded 900 years ago in the wine-growing area of southwest Germany, close to the French border, the upper Rhine and the Black Forest. During World War 2, bombs destroyed 80% of the old city, but most has been rebuilt in a replica of the old historical style. In the 1970s, the region of Baden-Württemberg planned to build a nuclear power plant at Wyhl, just 30 km from Freiburg. There was a major protest, with widespread civil disobedience, and in 1975 the plans were defeated. This raised the environmental awareness of many of Freiburg's citizens, and left a hole in the region's future energy plans. During this time, Freiburg developed a reputation as Germany's "ecological capital", and a wide network of environmental organizations, businesses and research institutes were founded. In 1986, with the nuclear catastrophe at Chernobyl fresh in their minds, Freiburg's municipal council voted to adopt the guidelines for a future-oriented energy policy which would set the pattern for Freiburg to become Europe's most prominent solar city.

Aims and Objectives

Freiburg's energy policy has three pillars: energy conservation, the use of new technologies such as combined heat and power, and the use of renewable energy sources such as solar to meet new demand, instead of fossil fuels, with the goal of realizing an ecologically-oriented energy supply. Behind this, there lies a deeper goal to create sustainable regional development for the area as a whole. In 1996, this was strengthened by a city resolution to reduce Freiburg's CO2 emissions to 25% below the 1992 level by 2010, which calls for initiatives in the areas of transport, waste and industrial production, as well as energy. The average Freiburg citizen produces 11 tonnes of CO2 a year, three quarters of which comes from the city's use of energy.

Activities

Freiburg's solar activities attract a lot of attention, but their efforts to reduce energy consumption are also significant. There is a support program for home insulation and energy efficiency retrofits, and all new houses build on city land must meet a new low-energy efficiency design standard that uses two thirds of the legally permitted limit. The houses cost about 3% more to build, but their energy costs and CO2 emissions fall by 30%.

On the solar front, Freiburg has developed numerous significant projects that use every kind of solar application - solar PV (photovoltaics - over 400 installations), solar thermal (for hot water), solar sunrooms or "wintergardens", passive solar design, solar cooling, and transparent solar insulation, which converts the solar heat which hits a wall into useable thermal energy. Freiburg is one of Germany's sunniest areas, with 1800 hours of sunshine a year, but it only receives 1,117 kWh per square meter of solar radiance, which is lower than southwest England, and about the same as most of England and western Scotland.

At a time when solar manufacturers were withdrawing from Germany, Solar-Fabrik, a solar module production plant, chose to locate in Freiburg in 1997, employing 130 people. The

entire factory is 'zero emissions', being powered by 570 square metres of PV, and a rape seed oil-fired combined heat and power plant.

Through the Forum SolarRegion Freiburg, the City council provides a solar information desk in central Freiburg. Freiburg's Central Station has installed a solar PV facade that is 19 floors tall, with 240 solar modules, and the city is full of houses whose owners have installed solar systems for electricity or hot water on their roofs. The University Hospital Cafeteria has installed a rooftop PV system that meets 10% of its energy needs; the Ganter Brewery has done likewise, as has the Lutheran Diakonie Hospital. The city's national league soccer stadium has installed a large solar PV array on its roof, many schools have created solar installations, and there is a big solar roof of 440 kW on the New Fair Grounds which host Europe's largest solar trade fair Intersolar. All of the solar energy is fed into the grid, rather than used on the spot or stored in batteries.

Within Vauban, a new ecologically designed settlement of 2000 houses that is being built on the site of an abandoned French military base, a Solar Village - Europe's most modern solar housing project - is being built at Schlierberg, with 50 solar houses that will produce more energy than they consume, designed by Rolf Disch, one of the most renowned solar architects in Europe. The brightly coloured terraced homes use only 15% of the energy that is needed by Freiburg's low-energy homes, and need additional heat for only a few weeks a year, from a wood chips biomass combined heat and power (CHP) plant.

Freiburg is also attracting solar research and development organizations. The Fraunhofer Institute for Solar Energy Systems conducts research for practical solar applications all around the world, and has developed a new system for solar refrigeration. A trades school runs a Solar Training Centre, producing the technicians and installers who are needed to service the growing activity. The International Solar Energy Society (ISES) and numerous other solar institutions have located their headquarters in Freiburg, and the city has often hosted major European solar energy conferences, attracting many delegates.

In addition to Freiburg's solar activities, mention should be made of some of the city's other environmental initiatives, since they all contribute to the quality of life which is an important sustainer of Freiburg's economic health. A cycling plan was drawn up in 1970, and the city now has over 500 km of bicycle paths, and a third of all journeys are by bicycle. There are more than 5000 bicycle parking spaces in the city, with more at tram stops for "bike and ride" commuters. The main railway station has parking and other cyclist facilities for 1,000 bicycles.

The old town centre became car-free in 1973, and in 1990, a 30 kph zones was introduced for almost all residential streets, except main roads. Freiburg introduced a low-cost flat-rate monthly "Environment ticket" for the region-wide bus service in 1991, and there has been a 100% increase in people using public transport since 1980. In the new district of Vauban, if residents sign a contract stating that they will live without a car, the requirement to buy a parking space in the district garage is waived, reducing the cost of their housing. Around 30 - 35% of the residents have chosen to live without a car. In 2004 and 2005 the city will open two major new tram lines, one from the city centre to Vauban. As a result of these initiatives, motor vehicle use fell from 38% to 32% between 1982 and 1999, in complete contrast to the trend in almost all other central European cities.

The city has an ambitious recycling programme with four separate household containers, including a bin for all kitchen and garden wastes, which are composted. As a result, Freiburg reduced its waste disposal from 140,000 tonnes a year in 1988 to 50,000 tonnes in 2000. Freiburg has also put 42% of its surrounding area under nature or countryside protection, where building is no longer permitted.

Structure and Finance

As an economic development driver, Freiburg's solar strategy does not require any specific structure, or core funding. It is powered by the synergy created by the city's vision among many solar players working together, who gain a mutual benefit from each other's presence.

In the open market, solar PV is still too costly for most builders and developers. Under the German federal government's 2001 Renewable Energy, Law, however, energy supply companies are obliged to reimburse stored solar energy producers at a highly a subsidised price. The current rate of 0.457 Euros a kilowatt hour (compared to a standard electricity rate of 0.15 - 0.20 Euros, depending on the tariff) is guaranteed for a period of 20 years. The purpose of the law is to promote a doubling of renewable energy's share in the electricity market from 5 to 10% by 2010. This makes it possible to finance a PV installation which may cost 5,000 - 8,000 Euros per kW (1 Euro = £0.70). The electricity output that can be expected in Freiburg should cover the investment costs within 15 years. Under its "100,000 Rooftops Solar Power Programme", the German government provided subsidized loans until June 2003, when the programme expired.

In addition to national support, the regional power supply company Badenova (which is jointly owned by a number of regional municipalities) offers a solar investment subsidy for customers who want to install photovoltaic panels, which helps to increase solar's economic competitiveness. The program is financed from electricity sold under the brand label regiostrom. Badenova invests all of the income from the difference between the standard rate and the slightly higher regiostrom rate into further regiostrom plants (photovoltaics, biomass and small hydropower), which has resulted in a steady increase in the generation of of environmental friendly electricity. 10% of Badenova's customers have voluntarily opted for electricity from regional and renewable energy sources.

Performance

By December 2003, the total PV capacity in Freiburg had reached 3,200 kW (3.2 MW), producing 3 million kWh per year for use in the grid. An additional 8560 square meters of solar thermal heating had been installed, and 700 square metres of solar swimming pool heating.

During the 1990s, Freiburg undertook a study to investigate the economic significance of its commitment to environmental policies. For the region as a whole, the study showed that solar energy and environmental policies have proven to be important economic development assets for Freiburg, which has never had any major industry. It also fits with Freiburg's position in a major tourist area.

By spending its energy dollars on solar and other renewable energy technologies, these dollars are also remaining within local circulation, instead of leaving the region to purchase gas, oil or uranium elsewhere. In addition to the economic and environmental benefits, Freiburg's citizens enjoy a pride in their city for showing this kind of leadership.

Future

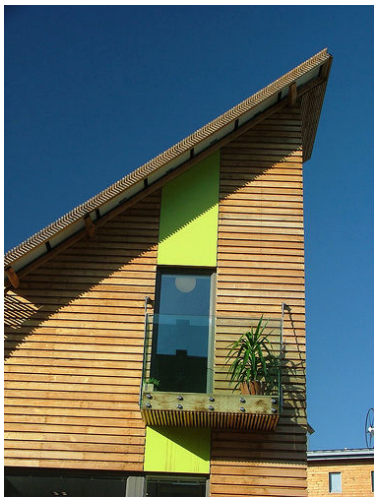
Solar PV and other renewables still only provide 2% of the power that Freiburg needs. The city generates 50% of its electricity from natural gas CHP plants, and the rest is imported, including 30% from nuclear. Freiburg's goal is to decrease nuclear's influence, and increase the energy from renewables to 10% by 2010. This can not be achieved by PV, so the city is

looking at obtaining more energy from biomass from Black Forest woodchips, and from wind power, which is generating a very heated debate, due to concerns that the turbines will spoil the Black Forest scenery. Six 1.8 MW turbines were erected in 2003, increasing the energy from renewables to 3.9%, but there is a court injunction against two of them. There are also plans to explore geothermal deep heat, which is very good in the Upper Rhine area around Freiburg.

APPENDIX 3

ILLUSTRATIONS OF EMERGING HOUSE DESIGNS WHICH DELIVER LOW/ZERO CARBON EMISSIONS

Building Research Establishment prototype low carbon dwellings



BedZED

Great Bow Yard, Somerset

Waterstone Park, Stone

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APPENDIX 4

DCLG Consultation in respect of Permitted Development Rights for small scale renewable and low carbon energy technologies, and electric vehicle charging infrastructure

The Government has proposed changes to permitted development rights for small scale renewable and low carbon energy technologies in November 2009. This consultation proposes to grant permitted development rights in the planning system for certain types of small scale renewable and low carbon energy technologies, and electric vehicle charging infrastructure. By removing the requirement to obtain planning permission from the local planning authority, these proposals are intended to make it easier for householders, businesses and others to install renewable and low carbon technologies in both domestic and non-domestic settings. The proposals are also intended to assist in facilitating the development of a robust electric vehicle charging network, so as to encourage the take up of electric vehicles.

The proposals would grant permitted development rights [by amending the Town and Country Planning (General Permitted Development) Order 1995] for the many “green energy” developments of which the following are the most notable;

- A wind turbine with a blade diameter of up to 2.2m mounted on a detached dwelling house
- A wind turbine with a blade diameter of up to 2.2m on a freestanding curtilage outbuilding
- Stand alone wind turbines with a blade diameter of up to 2.2m within the curtilage of domestic premises.
- Air source heat pumps on domestic and non-domestic premises
- A Wind turbine up to 15m hub height mounted on a detached non-domestic building
- A stand alone wind turbine up to 15m hub height outside domestic curtilages
- Ground source heat pumps on non-domestic premises
- Water source heat pumps on non-domestic premises
- Solar panels on pitched and flat roofs of non-domestic buildings
- Stand alone installation of solar panels on non-domestic premises
- Flues for small scale biomass and combined heat and power extending a maximum of 1 m above ridge line
- Structures to house biomass boilers, anaerobic digestion systems and associated waste and fuel stores on agricultural and forestry premises.
- Electric vehicle recharging points

A number of criteria limit the scope of each of the proposed categories of permitted development and many do not apply in Conservation Areas and World Heritage Sites. It will also be a requirement that most technologies are installed and certified through a Microgeneration Certification Scheme (to ensure industry standards).

It is proposed that Members endorse these proposed amendments.

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EXETER CITY COUNCIL

SCRUTINY COMMITTEE – ECONOMY
21 JANUARY 2010

EXECUTIVE
9 FEBRUARY 2010

TRANSPORTATION STRATEGY: MEASURES TO REDUCE CARBON EMISSIONS/ PROPOSED CITY COUNCIL INPUT TO DCC LOCAL TRANSPORT PLAN 2011-16

1.0 PURPOSE OF REPORT

1.1 This report reviews recent progress and trends in the City in terms of transportation and proposes a number of major priorities for Devon County Council to consider as part of the preparation of their Local Transport Plan.

2.0 RECENT TRENDS AND PRESSURES

2.1 The City has accommodated a dramatic growth in both jobs and population during the last decade. In 1998, Exeter had some 63,000 jobs and by 2004 this had risen to 86,000. This represents the third highest increase in the country at 37%. Similarly, over the last decade the population of the City has risen from 107,700 to 123,500 – an increase of 15%.

2.2 This marked increase in the City's level of activity has imposed pressures on the transport network to a very considerable extent but the system has coped remarkably well. Traffic growth on the city's main radials has been contained – the overall volume of traffic entering Exeter during the morning peak has actually fallen slightly since 2004, with no radial route showing an increase. Media headlines would suggest that delays are massive and growing but the evidence from Devon County Council does not confirm this. There are quite frequent objections that local bus services are either not good enough or too expensive. Nevertheless, there has been significant growth in bus patronage in Devon with a rise of 31% during the four years to 2008. Similarly, on the rail network, the use of all rail services in Devon increased by 61% during the twelve years to 2008. Cycle use has also risen significantly with an 37% increase in three years across major count points. There has also been a dramatic increase in the amount of cycling to school, with the city's secondary schools achieving an average of 20% cycling. Encouragingly, this has been achieved without a corresponding increase in casualties, the number of which has remained largely static.

2.3 During this period the City has seen a number of very significant physical changes:

- the relocations to Exeter of the Met Office and EDF and subsequent growth of Exeter Business Park which had stalled in the last major property recession
- a buoyant and rapidly expanding University
- a renewed City centre
- a record level of house building (until 2007!)
- delivery of a high quality public realm in the heart of the city

2.4 Notwithstanding the general evidence that the system has coped quite well with these increasing pressures, there is one significant area where conditions are substantially worse. Members will be aware from the report to Executive on 24 March 2009[1] that whilst air quality in the City is generally very good, there are significant parts of the City which have excess nitrogen dioxide levels as a result of high levels of motor vehicle movement. The result is that it has declared all of the City Centre an Air Quality Management Area and with a series of designations for all the radial roads coming into the city. The strategy agreed by Members envisages a combination of measures which in summary comprise: limited enhancements to highway capacity; a range of demand management measures; a strong commitment to supporting the High Quality Public Transport proposal being prepared by Devon County Council; and investment in improved provision for more sustainable means of transport including bus, rail, cycle and walking.

3.0 FUTURE PRESSURES

3.1 Looking ahead from the current Recession, the RDA predicted three years ago that the Exeter economy would overtake that of Plymouth's by 2015. The designation of Exeter and the surrounding area as a New Growth Point three years ago, was in the expectation that the area would deliver a major increase in population and jobs over the period up to 2026.

3.2 Indeed, by 2026 the City and its immediate environs is forecast to have 28,500 additional dwellings which equates to another 45-50,000 people. There would also be 15,000 additional jobs in the City and a total of 25,000 extra jobs in the City and environs.

3.3 This growth will clearly place significantly more pressure on the existing transport network, potentially increasing congestion on key routes and reducing air quality, worsening bus service reliability and reducing the general amenity of residents. Combined with the imperative to reduce carbon emissions outlined in the accompanying papers, this suggests the need for a quite significant reorientation of strategy for the forthcoming LTP.

4.0 PROPOSED CORE OBJECTIVES FOR LTP3

4.1 The Local Transport Plan (LTP) is produced by Devon County Council as highway authority. The LTP is a document which sets out the objectives and policy framework for transport and describes a programme of action for a five year period. To date, two LTPs have been produced and the third, covering the period 2011 to 2016 is in the early stages of preparation. The County Council have been conducting 'hearings' as a means of gathering evidence and opinions. A draft will be produced this Spring, with consultation over the Summer for final approval in December.

4.2 The government has recently published its strategic framework for transport with the intention of squaring the circle between delivering economic growth and tackling climate change.[2] The intention is that the transport system will:

- support economic growth by delivering efficient transport networks
- reduce transport emissions in order to tackle climate change
- contribute to better safety, security and health
- promote greater equality of opportunity

- improve the quality of life

4.3 In responding to this framework and to the challenges of the local context, it is proposed that the City Council recommends that LTP3 should have three core objectives, as follows:

(1) *Delivering a sustainable pattern of land use* – in line with the Turner Committee, this involves integrated land use and transport planning which minimises the need to travel by car and maximises the prospects of bus, rail, cycle or walking being attractive mode of travel and therefore well used. This is principally achieved through the drafting and the adoption of the Council's Local Development Framework Core Strategy and by carrying out a range of joint master planning exercises such as those currently being completed for Newcourt, Monkerton and Alphington.

(2) *Supporting sustainable economic growth* – effective transport provision is a means of reducing transaction costs but transport is a big CO_2 generator. Some 20% of total emissions are generated by the transport sector and 92% of those emissions arise from road traffic, with the proportion rising. This links to the third, and key, objective.

(3) *Delivering sustainable transport solutions* – to both reduce emissions and reduce energy consumption dramatically. A significant reduction in emissions is vital from the viewpoint of dealing with climate change and the need for a reduction in energy consumption reflects the dwindling supply of hydrocarbons. In terms of air quality, the primary pollutant is nitrogen dioxide and transport is the major generator of this. There are significant exceedances across the City[1] which need tackling so this needs comprehensive action.

5.0 GENERAL PRINCIPLES

5.1 Before moving on to the consideration of a set of specific proposals for submission to Devon County Council, a few basic core principles are proposed for Members to consider. These are outlined below.

5.2 The first principle is about the level of reliance in the future on investment in highway construction. Given the scale of growth that is envisaged for Exeter over the next 16 years, there is no doubt that the City and its environs will need some additional highway capacity. Even if we achieve major modal shift, there will be some locations, by virtue of the development of a range of urban extensions which will require highway network enhancements. It is highly unlikely that much, if any of this capacity, will be in the City centre (apart from in conjunction with the bus station re-development) as the physical constraints are such that the environmental consequences and loss of historic buildings arising from capacity enhancements would be unacceptable in an historic city such as Exeter. Nor, for similar reasons, is there likely to be significant enhancement on the radial routes into and out of the City – motorists in queues on Alphington Road or other radials may curse the delays, but neither the City nor the County Councils is realistically going to begin the compulsory acquisition of swathes of property to deliver a four lane highway with high capacity junctions. It would also result in the loss of many of the City's local and district centres which straddle the principal roads into the City.

5.3 An appropriate scale of change is envisaged in the major schemes bid being prepared by Devon County Council. This is rightly focusing on outbound radial capacity so as to better manage congestion caused by vehicles trying to get out of the City, rather than encouraging yet more motor traffic to come into the City centre. Schemes that are being generated by the New Growth Point are also necessary – enhancements at Junctions 29 and 30 and the provision of the Clyst Honiton Bypass are providing capacity which is unavoidable given the scale of development proposed. An effective city centre traffic management scheme to create more vehicle free streets may require selective highway investment. Beyond this, there does however need to be a considerable pause for thought to see whether any such future large scale investment is, in the round, viewed as appropriate given the very demanding carbon reduction targets that need to be achieved.

5.4 The second potentially controversial principle is an acceptance that congestion at peak hour will continue unless there is a better mechanism for pricing car use at the point of use in the same way that bus/rail travellers pay at the point of use. As long as there is no price mechanism at the point of use (i.e. when we actually drive our cars), people will flood onto the network when it suits them. At one end of the spectrum the environmental lobby argues that the simple solution is to price up City centre car parks so that motorists pay the same when parking as they would do if buying a return bus fare. At the other end of the lobby spectrum, many in business would respond that paying more for parking or levying a charge on road usage is simply another tax. It is, however, a daily observable consumer choice that once you've paid for the cost of owning and running a car, and for many car commuters paid nothing for parking your car, people are unlikely to be persuaded to use alternative means of transport. It is important therefore to note in addressing both these sets of arguments, that only in the order of 850 cars are parked on City centre car parks before 0900 on weekdays (and a proportion of these will be shoppers and residents' cars) so these are not the source of the congestion that people experience. The real issue is that there are some 17,800 spaces at offices and industrial premises throughout the City that are available for motorists at no charge. It is more effective to charge people who currently pay nothing to park, than to extract more money from those who pay parking charges already. Uncomfortable though it is, a pricing mechanism in the form of a workplace parking levy, is an effective means of managing demand – and thus, without that, congestion will continue.

5.5 The third basic principle is that we need to create a civilised City centre by limiting cross City centre vehicular movement. We have moved beyond a situation where all City centre streets are available as a free for all for vehicular traffic to drive through at its convenience. If we have a vision of the City centre we want to deliver, we need to work out what the key functions of these streets should actually be. Isn't the City centre for pedestrians who are, for example, workers, shoppers, museum visitors, diners and library visitors, rather than for the convenience of a car driver either short cutting across the City centre or trying to drive as close as possible to their destination? An illustration of this latter point is the example of users of Triangle Car Park. Some 43% of the users of Triangle Car Park originate from the New North Road/Pennsylvania Road corridor, yet this car park is on the far side of the City centre from this approach. In contrast, only 15% of the users of King William Street Car Park originate from this corridor. These data do suggest that significant volumes of people are using the City centre highway network for the convenience of

driving as close as possible to their destination, rather than walking the last few hundred yards to those destinations. One wonders if this is a sensible way of allocating scarce space in the current climate.

5.6 Taking these three basic principles, the following section identifies a range of key measures for the future. Members may feel that some of these principles and measures are radical given perceptions about public opinion. Surveys of public attitudes suggest that the media focus on congestion and on the number of traffic lights in the City are not shared that widely. The City's retail consultants, DTZ, asked city centre users what things they disliked about the City Centre – 48% said 'nothing or very little' and only 2.6% highlighted 'traffic congestion making it difficult to get to by car'.[3] Moreover, work for the City and County Councils by Socialdata found that 75% of those surveyed that 'limiting car traffic' was an effective measure and 89% thought that 'further developing public transport' was an effective means of dealing with traffic problems in Exeter.[4]

6.0 KEY MEASURES FOR THE FUTURE

6.1 This section is split between a focus on the City centre and an outline of a set of wider measures that are applicable outside the City Centre but vital to the functioning of the City as a whole.

City Centre Initiatives

6.2 The City and County Councils have made real progress on pedestrianisation in the last five years. Until the start of this century we used to lag behind most English historic towns and cities having remarkably little space that was devoted to the pedestrian. As a result of collaborative work during the last decade, significant improvements have been made with the creation of streets which have pedestrian priority, with schemes undertaken in Cathedral Yard, Cathedral Close, Queen Street, Castle Street and High Street. More radically, Princesshay was designed so that all but a limited part of the scheme is entirely vehicle free, creating a standard of amenity and safety comparable with the best in Europe.

6.3 We have to acknowledge that there is no clear vision for the next stage however. Changes to Paris Street have attracted significant opposition, with conditions in Sidwell Street, North Street, Fore Street and South Street all suggesting that the balance between traffic and pedestrians/shoppers has not been struck. Some argue that in the effort to limit traffic in these streets, we are cutting off the life blood of the City centre. Viewed in the round however, whilst for the foreseeable future, vehicular traffic needs to get to the City centre in large volumes, it does not, by and large, need to penetrate every street outside Princesshay and Cathedral Close.

6.4 Given the ring of car parks that exist around the City centre it is more than possible to designate a network of routes to serve those car parks without compromising the whole of the City centre street network. Indeed, it is the sort of strategy that has been adopted in Bath and Cambridge some years ago and is common throughout many cities in Europe. This involves the creation of a cellular structure where vehicles approaching a city centre destination, choose one or more car parks within that sector but aren't, without some considerable inconvenience, able to cross the City centre by the shortest route. It is strongly recommended therefore that Members look at this in the round rather than focusing just on whether Paris Street should be one way or two way, by the

City and County Councils jointly preparing a comprehensive traffic management strategy for the City centre.

6.5 A crucial element, as a precursor to that work, is to be clear about the public role of key streets and spaces in the City centre so that the long term vision drives the traffic management strategy rather than vice versa. Thus, to take an example, which may seem pretty radical in the present climate, one could envisage the creation of the long imagined London Inn Square. This could be an entirely vehicle free space between Waterstones and the former Debenhams building and which would create one of the larger available spaces in the City centre for activities and markets, (see two conceptual ideas at Appendix 1). With the right traffic management solution, this is a serious possibility. A further key enhancement to the pedestrian environment in the City Centre would be to take buses out of the section of High Street from Queen Street to Fore Street, diverting all but the HQPT via Queen Street, Paul Street and North Street/Mary Arches Street. This is proposed, because this is the most sensitive part of High Street with narrow footways and historic buildings, in contrast with the upper part of High Street where the pedestrian space is much greater and the diversion route for buses much more circuitous.

6.6 To complement this work and to address the issue of poor air quality, it is also proposed that a Low Emission Zone (LEZ) is designated which limits vehicles using streets within a prescribed area of the City centre to those with exceptionally low emissions. It would not be an onerous burden on the bus operator, given the recent acquisition of many new vehicles which are either Euro 3 or Euro 4 compliant. Manufacturers are also pursuing further technological innovation in engine design leading to lower emission levels in the near future. The more significant consequences are likely to be for commercial vehicles and this will need careful assessment.

<u>City Wide Initiatives</u>

6.7 (i) *General Context*
The predominant investment will need to be in public transport. If the seemingly inexorable growth in car use is to be contained, our dependence on oil reduced and our carbon footprint dramatically reduced, the quality of the public transport services that are on offer needs to see a step change. Furthermore, because the new community and three urban extensions provide the bulk of the new housing for the City over the next 20 years, each will need to be served by the High Quality Public Transport network if those new communities are not simply to become car dominated suburbs like their predecessors.

6.8 (ii) *Implementing the High Quality Public Transport System (HQPT)*
The County Council have been working for some time on a detailed bid for the funding of HQPT. The concept is that a high frequency, high quality vehicle would provide services on a number of spine routes which link together the key development sites around the city, the key employment nodes and the City centre. By changing the image of the local bus network and by adopting the type of ticketing system (Oyster Card) which the public have become accustomed to and enthusiastic about in London, the ease of use and fundamental attraction of the system would make this the first choice mode of travel for many residents.

6.9 This is probably the single most important investment which the City needs in transport terms over the next decade. The DfT has shown considerable interest in the proposal and, subject to any forthcoming public spending review, the prospects for a significant grant through the Regional Funding Allocation look good. The County Council will be consulting on their outline proposals during February.

6.10 (iii) *Upgrading the Rail Network*
There has been dramatic growth in passenger use of the rail services feeding into the City over the last decade, with the Exmouth and Barnstaple lines regularly showing annual increases of 10% or more. Exeter is unique for a City of its size in having a significant number of suburban rail stations (six) and therefore it has a high proportion of the population with ready access to a station within a 10 minute walk of their home. The potential for expanded use of the local network is significant and this was outlined in a joint ECC/DCC paper to the Devon and Exeter Rail Working Group last July which advocated investment in selective track re-doubling, improved signalling, and the construction of new stations at Newcourt and Monkerton[5]. This needs to be complemented by the provision of additional and (critically) updated rolling stock since much of the stock is of the lowest quality seen on the national rail system. Devon County Council will be looking at the potential for delivering these aspirations as part of the Exeter and Far South West Gateway Study. The aim of the study is to develop a programme of transportation investment priorities for the South West Peninsula, which may be progressed through the LTP or the Major Scheme Bid Regional Funding Allocation process. Representations have also been made to Network Rail in respect of their Route Utilisation Strategy to underline the need to enhance local rail capacity so that the city's growth can continue.

6.11 (iv) *Park and Ride Enhancements*
Exeter lags other historic towns and cities in the extent and quality of its park and ride provision. There are only some 1700 spaces provided in three sites which are available for general public use (the fourth is aimed specifically at RD&E workers). Devon County Council have had plans for a new 800 space park and ride facility at Ide which have currently stalled. The City Council needs to continue to lobby for park and ride investment, given that coverage of the key radials into the City is incomplete and capacity is inadequate to accommodate further growth at the existing sites. It remains a priority to find a new site to serve the A38/A380 corridor, given the limitations of Matford and it is intended that this would be done through the South West Exeter Master Planning exercise. Provision for the Crediton/Tiverton corridor remains problematic with the only suitable site being in the flood plain; however a Park and Ride site on this major route into the city remains an aspiration for the County Council. A welcome recent development by Stagecoach is the purchase of new vehicles for the Honiton Road, Sowton and Matford services which will significantly raise the quality perceptions of the public.

6.12 (v) *Comprehensive Cycling and Walking Networks*
Until recently, provision for walking and cycling in the City has tended to be low priority. With the adoption several years ago of a joint Walking Strategy between the two authorities and the designation of Exeter as a Cycling Demonstration Town, there has been a re-balancing of those priorities and a concerted programme of investment in the city. The cycle network has been extended very significantly in the last three years with new routes serving the City's secondary schools and principal employment sites. There is also

significant emphasis on softer measures to encourage people to switch to cycling. We are now starting to witness the potential that cycling offers for many journeys in the City with a 40% increase in cycle trips between 2005 and 2008. Research in the City shows that there is still significant potential for growth with one fifth of all trips made by Exeter residents being no further than one kilometre and approaching half (45%) are no longer than three kilometres. Over two-thirds are in the range of five kilometres. All distances that are easily covered by foot or bike. (Travel Behaviour Research Baseline Survey 2008 Exeter. Sustrans.) It remains critically important to deliver safer crossing points for busy roads. In that respect, the debate that started last Autumn over the justification for the recent surge in traffic signal installation in the City rather misses the point. There are many instances where the speed of traffic and lack of breaks in flow, mean that for those who are less confident or agile, they cannot cross the road without the benefit of pedestrian and cycle phases at signals. Dutch experience on removing signals is not a readily transferable one, given the different culture and road user liability context. (A motorist is assumed to be liable for a cyclist or pedestrian accident unless they can prove to the contrary.) The more we can encourage people to walk and cycle, the less congestion and carbon use and the more likely people are to remain healthy as a result of the attendant exercise.

6.13 Future investment needs to focus on ensuring that there is a dedicated network of routes giving direct, easy access to the City centre, key employment locations, schools and leisure centres. Progress with the provision of cycle routes from Exeter to adjacent towns and the countryside has also been impressive though the completion of the Exe Estuary route remains a priority, not only encouraging cycle commuting but underpinning the City's offer as a sustainable tourism destination. The design and implementation of similar links to Crediton and Tiverton will ensure a comprehensive network in the centre of Devon, focusing on the City.

6.14 (vi) *Gateways*
The key arrival points for the City have for many years been, by and large, uninspiring. Driving south on the M5 approaching Junction 29, there is no particular wow factor and the park and ride sites are, for the most part, utilitarian. The exits from Central Station and St David's Station are both uninspiring. The construction of the Science Park at Junction 29 should provide the opportunity to give a key 'signature' to the City for users of this corridor. With the new generation of park and ride sites, it should also give the opportunity to provide quality designs that people can feel comfortable using. .

6.15 Despite officers of both authorities working for over ten years on endeavouring to deliver a modest enhancement scheme for Central Station (which is used by approximately 1.5 million passengers a year), progress has, until recently, been zero. However, the recent change of stance by Network Rail is most welcome and a project is now under way for the two authorities to look at re-designing the station booking office and entrance to revert to its original central position. It would also remove parking from the front of the station to create a paved area which will give a real sense of arrival. Similarly, progress at St David's has been non-existent despite the attempts of both authorities to put together development schemes that could overcome the dominant feeling for train travellers of arriving in a car park. The current condition of the property market prevents a commercial scheme coming forward at present but this still remains a key concern affecting the image of the City.

6.16 (vii) *Highways and Traffic Management*
The two decade long focus on safety enhancements has paid dividends in the reduced number of road casualties. The more recent delivery of dedicated walking and cycling networks and signalised crossings of the highway network will add to the ability of more vulnerable road users to use the highway network. Investment in the outbound capacity of key radials and the alterations to Junction 29 should both be strongly supported, since whatever measures are taken for the longer term, to achieve modal shift, there will be a marked increase in population and employment levels in the City which will continue to put pressure on the highway network.

6.17 An area of concern, however, is the burgeoning cost of work to the strategic highway network – whilst Devon County Council strikes a sound balance between design standards and costs, the Highways Agency remains committed to a set of standards which tend to distort resource allocation when delivering new developments. Given that all of the key development sites are adjacent to the Trunk Road and motorway network, there is a strong danger that HA design standards could either stifle development or result in limited infrastructure funding being unnecessarily focused on delivering expensive highway solutions. Local authorities need to challenge this distortion of priorities by seeking a more flexible approach to design.

6.18 The City's Parking Strategy will need to be reviewed this year. The City Council controls 25 off street car parks, providing nearly 4500 spaces. Together, these car parks generate some £6 million income a year. Over the last decade the pricing strategy of the Council has been geared to discouraging their use by commuters and encourage the short/medium stay shopper and visitor. The review of strategy will need to address the long term aims of the service, dealing with the conflicting objectives of car access, income generation and emissions reduction. Given the recent completion of a study by consultants of current usage patterns, (in conjunction with the bus station study), the technical basis for a policy review should be sound. This work would also identify which sites could be released for re-development.

(viii) *Low Emission Vehicle Strategy*

6.19 The issue of air quality, highlighted at the beginning of this paper, needs to be a key focus of policy. The significant number of Nitrogen Dioxide exceedances across the City and along the major radials is a cause for concern. Consultants from the Centre for Energy and the Environment at the University of Exeter have analysed the current situation and looked at a range of options. They conclude that the best chance of solving the problem of exceedances involves:

- the development of the Grace Road link
- an HGV routing strategy
- a Low Emission Zone covering buses and HGVs across the whole Air Quality Management area
- selective access restrictions in City Centre streets.

6.20 Progress in this respect is variable. The Grace Road link is due to go on site shortly. Stagecoach are gradually introducing Euro 4 buses and the results have been dramatic. On the Heavitree Road corridor, which is the most affected by vehicle pollution, the new fleet of Euro 4 buses introduced between 2005 and 2007 produce a 40% drop in bus emissions. With HGVs, whilst only a small proportion of the traffic, they generate significant amounts of emissions and their share of the emissions burden is rising. Unlike cars, where the EU

has agreed reductions in fleet standards for vehicle emissions, no such mechanism is in place for vans or HGVs. There is, thus, an imperative to develop a comprehensive understanding of freight movements in the City so that a Low Emission Zone can be identified and an HGV routing strategy adopted.

6.21 Taken together, the measures may result in:

- a bus LEZ restricting buses within the AQMA to only Euro 4 or above in 2011 and Euro 5 in 2015
- an HGV LEZ with the same standards
- an access strategy for City Centre streets

Collectively these would form a CLEAR zone for the City Centre and a Low Emission standard for the currently most highly polluting vehicles across the City. If the existing LTP and the measures outlined above were implemented, this would be likely to result in a 30% reduction in Nitrogen Dioxide levels across the City but still leaving a limited number of sites with exceedances.

6.22 A further key area of innovation for which both authorities need to develop an early strategy is the likely growth in the use of electric cars. This has taken many decades to materialise but the need to drive down emission levels and the availability of financial incentives are likely to result in a significant rise in this mode of personal transport. The Turner Committee sees a very large growth in the use of electric vehicles as battery technology enables their range to be extended from a 128km average to around 400km. The Committee envisages 240,000 electric models and plug in hybrids by 2015, rising to 1.7 million by 2020. Whilst off-street home charging will power three quarters of these, the rest would need to be catered for by on street work place or car park charging points. There are significant design and infrastructure issues to address, if this ambitious target is to be achieved. Other authorities are installing public charging points, with Newcastle installing 750 of them. The City and County Councils should develop a strategy for this with some urgency.

7.0 CONCLUSIONS

7.1 The input to LTP3 in terms of its provisions for Exeter should be based on a bold vision for the City's future. It will identify what sort of City centre we are seeking to create and should be supported by the assumption that a step change in the use of public transport can be achieved so that we deliver sustainable urban extensions over the next 15 years or so. We need to identify and agree the places and spaces that are of sufficient quality such that they are not overwhelmed by the volume of passing traffic, where air quality targets can be met, rather than as at present awaiting a whole mix of measures to get nitrogen dioxide down to acceptable levels. All of this requires significant investment which is particularly difficult at a time of pressure on public spending. There also needs to be some mechanism for dealing with the 17,800 free parking spaces for employees which is what drives the amount of car travel at peak hours, through ongoing discussion with the County Council through the Local Transport Plan process.

7.2 The elements outlined above would form the core of a more sustainable transport strategy for the next five years and the necessary actions that should accompany that strategy.

8.0 RECOMMENDATIONS

8.1 It Is recommended that Members agree:

(i) the core objectives outlined in Section 4.2 of this paper;

(ii) to support the measures proposed in Section 6 of this paper;

(iii) that a submission based on the above is made to Devon County Council as input to the preparation of LTP3;

(iv) that a joint ECC/DCC city centre transportation strategy should be prepared in the first half of this year;

(v) that a review of the City's Parking Strategy be completed in parallel;

(vi) that a joint ECC/DCC strategy on providing for electric and hybrid vehicles be prepared and the prospect for a City trial be brought to a meeting of Scrutiny later this year; and

(vii) that (iv), (v) and (vi) above be the basis for the preparation of a CLEAR zone strategy for the City Centre linked to the designation of a Low Emission Zone.

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:-

1. Exeter Air Quality Strategy 2009-2014. Executive. 24 March 2009.
2. Delivering a Sustainable Transport System. Department for Transport. 2008
3. Exeter Retail Study. DTZ. 2009
4. Travel Behaviour Research Baseline Survey – Exeter. Socialdata. 2008.
5. Potential for Future Enhancements to the Exmouth Branch to Accommodate Development. Devon and Exeter Rail Working Party. July 2009
6. National Rail Trends 2008-2009 Yearbook (Office of Rail Regulation)
7. Devon Local Transport Plan Progress Report March 06 – April 08

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APPENDIX 1

ILLUSTRATIONS OF A TRAFFIC FREE LONDON INN SQUARE.


Potential for landmark at end of New North Road
NORTH
Potential Development Area
Existing Access - Potential new retail/cafe frontage at ground floor level
Potential to extend and narrow taxi rank to increase pedestrian space
Cafe Seating Area
Market/ Cafe Seating Area
Vacant
Approx 1.2m fall
Potential new retail/ cafe frontage at ground floor level
Market/ Cafe Seating Area
Sidwell Street
Waterstones
Existing Tree
Potential area for Market stalls
Existing paving retained
High Street
Exeter City Council
London Inn Square
Sketch Plan - Option 1
Scale: 1:250 at A3
Drawn: Paul Osborne
Date: Dec 2009
Design and Development
Planning Services
Exeter City Council
Civic Centre, Paris Street, Exeter EX1 1NN
Tel: 01392 277888
www.exeter.gov.uk


Potential for landmark at end of New North Road
Potential Development Area
NORTH
Existing Access - Potential new retail/cafe frontage at ground floor level
Potential to extend and narrow taxi rank to increase pedestrian space
Cafe Seating Area
Potential new retail/ cafe frontage at ground floor level
Vacant
Market/ Cafe Seating Area
Potential for focal point to new space
Sidwell Street
Waterstones
Existing Tree
Potential area for Market stalls
Existing paving retained
High Street
Exeter City Council
London Inn Square
Sketch Plan - Option 2
Scale: 1:250 at A3
Drawn: Paul Osborne
Date: Dec 2009
Design and Development
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Exeter City Council
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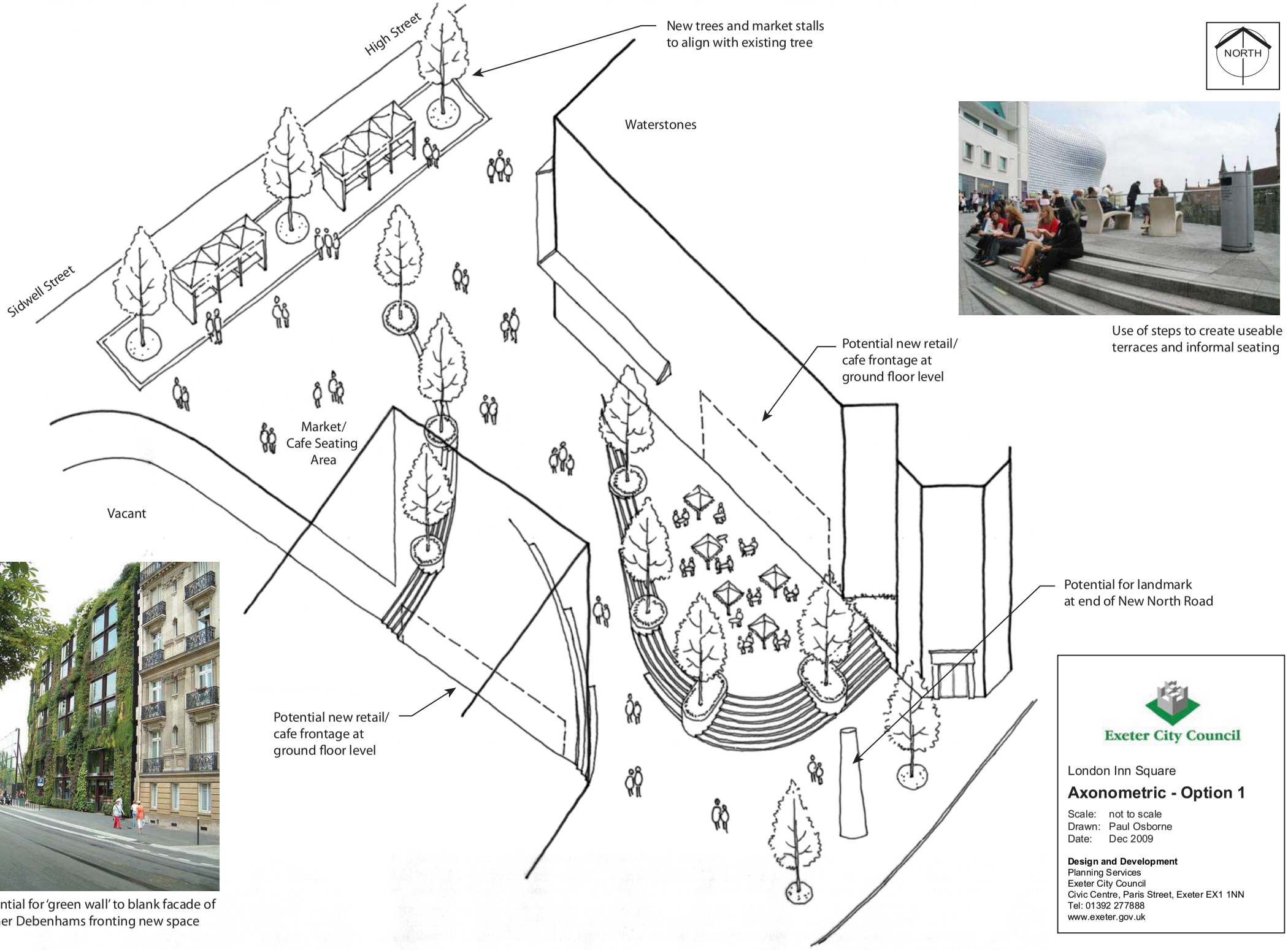

Use of steps to create useable terraces and informal seating

Potential for 'green wall' to blank facade of former Debenhams fronting new space

Exeter City Council

London Inn Square

Axonometric - Option 1

Scale: not to scale
Drawn: Paul Osborne
Date: Dec 2009

Design and Development
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Civic Centre, Paris Street, Exeter EX1 1NN
Tel: 01392 277888
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EXETER CITY COUNCIL

SCRUTINY COMMITTEE – ECONOMY
21 JANUARY 2010

EXECUTIVE
9 FEBRUARY 2010

CITY CENTRE: CARBON EMISSIONS, AIR QUALITY AND TRAFFIC

1.0 PURPOSE OF REPORT

1.1 This report reviews current conditions in the City Centre and sets out a framework for the longer term and proposes a range of short and medium term priorities.

2.0 REVIEW OF PROGRESS

2.1 The Council's first City Centre Strategy was adopted in 1999/2000 and then reviewed and renewed in 2007 following a City centre audit, by CB Hillier Parker. Much of those two strategies and action plans have been delivered, with the transformation of the City centre during that period. The principal elements that should be highlighted are:

- the design and delivery of the Princesshay scheme, covering around one fifth of the City centre
- the upgrading of key City centre streets to provide a high quality public realm in Queen Street, Castle Street and High Street
- the transformation of Cathedral Yard and Cathedral Close into a pedestrian dominated space with very limited vehicular access and the creation of a high quality public realm
- the transformation of Southernhay from a heavily trafficked street to one that provides local access and parking for its southern two thirds and a delightful vehicle free parkland setting at its northern end, adjacent to Princesshay
- the modernisation of the Royal Albert Memorial Museum, work on which is now two thirds complete
- the creation of effective CCTV infrastructure which underpins the safety of the City centre
- a very successful public and private partnership (Exeter Businesses Against Crime) which provides a highly effective mechanism for fighting business crime and dealing with its consequences quickly and effectively
- three new City centre car parks at Princesshay, Summerland Gate and Central Station, with a further £2.5 million invested in the modernisation of the Mary Arches and Guildhall Car Parks.

2.2 The City has accommodated a dramatic growth in jobs in Exeter during the last decade. In 1998, the City had some 63,000 jobs and by 2004 this had risen to 86,000. This represents the third highest increase in the country at 37%.

Similarly, over the last decade the population of the City itself has risen from 107,700 to 123,500 – an increase of 15%. This scale of growth has underpinned the buoyancy of the City Centre and, in some respects, put additional pressures upon it.

2.3 The enhancements that the City and County Councils have delivered over the last ten years have both stabilised and strengthened the City's position in competition with others in the region, with the City currently 43rd in the nationally recognised 'Experian' rankings. Nevertheless, the City Council needs to identify a long term strategy for the City centre to deliver a range of further improvements and accommodate the growth in employment, housing and retailing which has been identified for the City. In terms of the LDF Core Strategy, the demands of the sequential test which steer development towards the City centre means that there needs to be a greater intensity of use of the remaining regeneration sites as a central part of that long term strategy. At the present moment, the two key regeneration areas in the City centre – the Grecian Quarter and the Castle Quarter – are both somewhat cut off from the rest of the City centre. This may seem a surprising conclusion, but the physical impact of traffic flows on Paris Street and Sidwell Street have been highlighted by the Chamber of Commerce, the Chair of the City Centre Management Partnership Board and by our retail consultants, DTZ.[1]

2.4 Advising the Council on its priorities regarding retailing, DTZ highlighted the problems of traffic severance as follows:

> "In parallel with public realm improvements, we suggest that traffic management arrangements be reviewed, with the aim of reducing severance by traffic of secondary shopping streets from the prime retail area. The three main locations where this occurs are where Paris Street crosses High Street/Sidwell Street; where North/South Street crosses High Street/Fore Street; and where Market Street/Mary Arches Street crosses Fore Street. These three traffic crossings form significant barriers to easy pedestrian flows. The most important is that at Paris Street. This is because the Bus and Coach Station site is on the opposite side of Paris Street from the existing prime retail area of Princesshay and High Street. In order for a major retail development on this site to succeed as a new shopping centre, and for it to integrate with the existing prime retailing for the benefit of the City centre as a whole, it will be necessary to breach this barrier to easy pedestrian movement."

2.5 In the case of the Castle Quarter, the street and building form is such that pedestrian permeability is extremely limited so that the area feels like a backwater. This mitigates against successful long term regeneration of the area. Our long term strategy for the City centre needs to address both of these key obstacles for successful regeneration.

3.0 LONG TERM VISION FOR THE CITY CENTRE

3.1 The City Centre performs a complex set of roles, some of which are complementary and several of which are conflicting. The key roles can be summarised as:

> *Economic Role* – the City Centre is the economic motor of the City providing 1.4 million sq.ft. of shopping floor space and 3 million sq.ft. of office floor space, which between them provide 20,000 jobs.

Social Role – the City Centre is the social hub of the City, providing a range of formal and informal opportunities for leisure, recreation and informal contact

Residential Quarter – the City Centre has some 5,000 dwellings with the number having increased significantly in the last decade.

Transport Hub – the City and County bus services focus on High Street/ Sidwell Street/the Bus Station which brings an estimated 2.5 million passengers a year into the City. The City's 20 car parks located inside or on the inner ring road are used by over 2.5 million motorists a year on a daily basis. Many vehicles use the City Centre streets to get as near as possible to their destination or simply as the quickest route across the City. As the pressure on the City Centre is intense, and over the next 15 years it will need to accommodate some 8,000 new dwellings and 4,000 jobs in the City Centre. Based on recent forecasts from DTZ, the City could accommodate a further 530,000 sq.ft. of shopping floor space. The City will also need to accommodate some 1,500 additional bedspaces for students for which space on campus is limited as it is primarily devoted to teaching space, if we are to avoid unacceptable pressure on the local housing markets. Any further investment of the commercial sector in leisure is also going to be steered to the City Centre, given the longstanding planning policy.

3.2 If we are to accommodate the various pressures to create a satisfactory environment, the following key elements need to be delivered:

- sites for new jobs, housing and retail uses
- significantly intensified use of the Bus Station and Bus Garage sites through comprehensive re-development
- effective opening up and investment in the Castle Quarter for cultural purposes
- further rationalisation and modernisation of the parking stock
- major enhancement of the twin gateways for passengers at Central and St David's Stations
- elimination of City Centre vehicular movement in all the principal shopping streets, except for public transport vehicles
- the creation of a series of new pedestrian spaces in the City Centre

3.3 The following section outlines the key projects that would help to deliver these aspirations and the steps that need to be taken.

4.0 KEY PROJECTS

(i) The Grecian Quarter, in particular the Bus Station re-development

4.1 The City Council has already put in place a planning and urban design framework for the area in the form of the Grecian Quarter Urban Design Analysis. This sets out the constraints and opportunities for re-development of the Bus Station/Garage site, the re-development of the area between Summerland Street, Western Way and Sidwell Street and the potential for long term re-development of King William Street Car Park area. The first of these needs to be driven by the City Council as freeholder, given the complexities of the site. The second will be steered by the planning framework provided by the City Council but delivered

incrementally by the private sector. The third is a very long term opportunity and, given the scale of costs involved, the King William Street Car Park will have a minimum of a 10 year life and maybe considerably longer.

4.2 Progress with the Bus Station project is slower than advised to Members a year ago but all the key technical work has now been completed: a Retail Study has been completed; a Height and Massing Study has been carried out by consultants; the Transportation Study has been completed in conjunction with Devon County Council; the Parking Study has been completed by external consultants; and an Archaeological Evaluation will be completed shortly. Preparation of a Master Plan for the area will begin this Spring and Members will need to determine who the development partner is to be so that a scheme can be prepared. A paper will be submitted to Executive later this Spring and will set out the recommended way forward. In order to meet the many demands on limited City Centre space, the scheme is likely to comprise significant retail content, cafés and restaurants, additional commercial floor space, significant residential accommodation, a new bus interchange and a significant sized, purpose built car park. Given the requirement to meet the City's aspirations for affordable housing and a new bus interchange, funded by planning gain, this means that it is vital that the value of the scheme is sufficiently high to justify the investment risk. Thus the need to tackle the problem of Paris Street which still represents a barrier to pedestrian movement and the evident drag effect this will have on the scheme's viability if this is not achieved.

(ii) Development of the Castle Quarter

4.3 The City Council's investment in the underpinning and modernisation of RAMM will lead to a very high quality facility in the heart of the City which will be a regional cultural attraction of note. The effective regeneration of the Castle itself is a key project which has made only limited progress because of the Recession. The position of the County Council with regard to its long term intention towards the library remains ambiguous but this is a key element in devising an effective strategy for this area to work coherently. Further work needs to be carried out to establish ways of improving pedestrian permeability to deal with the perception that this area is blocked off by the buildings along the High Street and Queen Street. In the medium term, a more detailed strategy needs to be prepared for this area.

(iii) Further City Centre Enhancements

4.4 The rolling programme of enhancements funded by the City and County Councils has slowed down, following the completion of work in Summer 2007. Further priorities that Members have agreed are the enhancement to the High Street end of Gandy Street, enhancement to the entrance to Northernhay Gardens and a phased series of enhancements to Fore Street. The long term role of High Street has been a point of difference between the two authorities, with the City expressing its desire for the eventual removal of buses from High Street but the County opposed to this. It is evident that the High Quality Public Transport (HQPT) system will in all likelihood need to run between Sidwell Street, High Street and Fore Street and in many senses this is consistent with systems in other European cities, where trams are retained in otherwise pedestrianised streets. Nevertheless, in conceding this prospect, Members may wish to consider that the compromise position should be that HQPT will use lower High Street whilst other bus services should use Queen Street, Fore Street, Mary Arches/North Street in order to dramatically reduce the volume of vehicles in the most sensitive part of the High Street. Studies have illustrated that the diversion impact in terms of journey time and potential loss of patronage is significantly

less than 5% whereas the removal of buses in upper High Street is likely to result in an impact of closer to 20%.

(iv) Creating New Pedestrian Spaces

4.5 Exeter has three significant spaces at its heart in the form of Cathedral Green, Rougemont Gardens and Northernhay Gardens. There are, however, few quality formal spaces for events, activities or markets. The existing spaces tend to be linear and often compromised by traffic – Cathedral Yard is completely vehicle free, whereas Fore Street/South Street accommodates the Farmers' Market in a constrained space compromised by significant vehicular traffic movements. There is scope for delivering a series of additional public spaces if both Councils are prepared to be visionary in their thinking. When the future of the library is known, there is scope to deal with dead space in front of it on Musgrave Row, along with the upper level next to the telephone exchange which could provide the potential for a quality space in the heart of the City. As part of the Bus Station re-development, a new space leading onto London Inn Square is also a likely prospect. The greatest prize would be the creation of a new open space between Waterstones and the former Debenhams, eliminating traffic from this space altogether and simply leaving High Street/Sidwell Street as the major public transport access link (see illustration at Appendix 1).

(v) City Centre Traffic Management

4.6 Work undertaken as part of the Bus Station Study does illustrate that the elimination of through traffic in Paris Street and between Waterstones and the former Debenhams is feasible, but may require significant capital investment in the adjacent network. Current economic conditions means there is no prospect of this being developer funded, but it would have significant environmental and air quality benefits that would derive from the construction of a such a facility meaning that it could attract DfT funding as part of a wider package of measures.

4.7 The accompanying paper on Transportation Strategy sets out the broader concerns about air quality in the City Centre and recommends that proposals for a CLEAR Zone be prepared which would reduce/eliminate traffic in a range of key City Centre streets and introduce demanding standards that would permit only low emission buses, vans and HGVs to use the City Centre. By putting in place such a comprehensive package, not only would air quality be improved, but the effects of traffic severance on pedestrian activity would be markedly reduced.

(vi) Parking Provision

4.8 Studies on parking use which have been undertaken by consultants needs now to be dovetailed with work on the LDF Core Strategy. The likely outcome is the provision of a significant sized car park as part of the Bus Station re-development scheme which may provide the opportunity to release one or two car park sites for re-development. Progress needs to be made with the remaining stock to bring it up to the standards of Mary Arches and Guildhall Car Parks with the quality of finishes and the provision, where possible, of pay on foot systems.

(vii) Gateways at St David's and Central Stations

4.9 After a decade of nil progress at Central Station there now appears to be the prospect that Network Rail could undertake a comprehensive re-planning of the station forecourt area in conjunction with the many interested parties. The ability to provide a proper station facility rather than the current apology for a gateway would be welcomed by the 1.5 million users that go through Central Station every year. It would also mean that instead of appearing to arrive in a car park, people would feel that they were arriving at the heart of an exciting and vibrant City. Due

to the recent change of heart by Network Rail, it is proposed that officers continue to work closely on this project and that the City Council makes a substantial contribution to the enhancement works from its City Centre enhancements budget, with a further paper to be provided to Members, as and when a detailed scheme is prepared.

4.10 At St David's Station, the difficulty remains the challenge of finding a viable scheme, which was the case even when the market was at its height. It would be an ideal site for student or office accommodation but the viability challenge of re-providing the lost parking at the front of the station in the form of a multi-storey car park to the north side is considerable. For the time being, the drab environment, as one walks out of the station, will unfortunately continue.

(viii) Provision for Pedestrians and Cyclists

4.11 If the above programme of projects is adopted, there will be very substantial enhancements for provision for pedestrians through a range of interlinked projects. In recent years, provision for cyclists has improved with access allowed at all times through High Street, cycling still permitted in Cathedral Yard and a key spine route provided through the Princesshay scheme, linking the east and west sides of the City. There are still a number of key links that are missing which the Cycling Demonstration Town project needs to address. Furthermore, there is a need still to enhance cycle parking provision so that it is convenient and enjoys good surveillance.

(ix) Business Improvement District (BID)

4.12 There are a range of strategic planning and transport issues and associated delivery projects which will dramatically enhance the City Centre over the next decade or more. The day to day management of the City Centre remains a key priority. The City Council has agreed to support the Chamber of Commerce in preparing the case for the designation of the City Centre as a Business Improvement District and work on this is now under way. The intention is that business will advise on a range of actions that will enhance the attractiveness of the City Centre. These may include: significantly enhanced marketing effort; improvements to security; enhanced park and ride and bus service provision; public realm enhancement projects; high levels of cleansing; and so forth. Consultants have been appointed to assist with the preparation of the case and it is likely that the ballot on the designation of a BID will be held in the Autumn of this year. If the BID proposal is approved following a vote of all businesses, this will generate upwards of £500,000 additional income per year to deliver those enhancements.

5.0 NEXT STEPS

5.1 Given the implications of these projects for a wide range of stakeholders, it is important that there is stakeholder involvement before any strategy is finalised. There is also additional technical work that needs to be undertaken before key elements of this can be finalised. Nevertheless, there are a number of elements which need to be reflected in any submissions to Devon County Council of these draft ideas so that they can be incorporated into the County Council's Local Transport Plan, preparation of which is currently underway. Various key actions are, therefore:

(1) discussions of these draft proposals with Devon County Council

(2) agreement with Devon County Council to undertake a joint City Centre traffic management and Low Emission Zone study and leading to the adoption of a joint long term strategy

(3) the continuation of the work on the Bus Station Study, already agreed by Members, with the shape of the development deal to be considered by Executive later this Spring and a draft Master Plan to be considered by Planning Member Working Group later this year

(4) prepare a Strategy for the City Centre in the form of a City Centre Area Action Plan (which is part of the City Council's Local Development Scheme)

(5) continue use of the Council's capital programme for a rolling programme of public realm enhancements

(6) continue joint working with Network Rail and other stakeholders to deliver a quality scheme for Central Station, with a significant capital contribution from the City Council

(7) negotiations with developers as opportunities arise to implement these proposals incrementally

6.0 RECOMMENDATIONS

6.1 It is recommended that Members:

(i) comment on the approach and actions outlined in this paper;

(ii) agree to submit the transportation element of these proposals to Devon County Council as input to the LTP3; and

(iii) agree that work proceeds on the draft strategy and key projects with a view to its incorporation into the City Centre Area Action Plan to be prepared later this year.

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Local Government (Access to Information) Act 1972 (as amended)
Background papers used in compiling this report:-
1. Exeter Retail Study. DTZ. 2009.

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