



Exeter City Council

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AGENDA FOR
EXETER CITY COUNCIL
SCRUTINY COMMITTEE - ECONOMY

The Scrutiny Committee - Economy will meet on **THURSDAY 11 MARCH 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 21 January 2010.

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

LOCAL GOVERNMENT (ACCESS TO INFORMATION) ACT 1985 -
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 during consideration of item 11 on the grounds that it involves the likely disclosure of exempt information

as defined in paragraph 3 of Part I, 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 **UPDATE ON THE EXETER VISITOR/TOURISM STRATEGY 2007 - 2010**

To consider the report of the Head of Economy and Tourism - *report circulated* 1 - 12

7 **EXETER POSITIVE STEPS FUND**

To consider the report of the Head of Economy and Tourism – *report circulated* 13 - 26

8 **SOCIAL ENTERPRISE SUPPORT**

To consider the report of the Head of Economy and Tourism – *report circulated* 27 - 30

PERFORMANCE MONITORING

9 **ECONOMY SCRUTINY STEWARDSHIP TO DECEMBER 2009**

To consider the report of the Head of Treasury Services- *report circulated* 31 - 36

10 **PARKING ENFORCEMENT AT THE ROYAL DEVON & EXETER HOSPITAL**

To consider the report of the Director Economy and Development – *report circulated* 37 - 38

MATTER FOR CONSIDERATION BY THE EXECUTIVE

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

11 **EXETER BUSINESS CENTRE - OPTIONS ON LEASE EXPIRY**

To consider the report of the Head of Estates Services on the options of expiry of the current Exeter Business Centre Ltd lease - *report circulated to Members* 39 - 42

DATE OF NEXT MEETING

The next **Scrutiny Committee - Economy** will be held on Thursday 3 June 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

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EXETER CITY COUNCIL

SCRUTINY COMMITTEE – ECONOMY 11 MARCH 2010

UPDATE ON THE EXETER VISITOR/TOURISM STRATEGY 2007 - 2010

1.0 PURPOSE

- 1.1 The purpose of this report is to update members on progress with implementation of the Exeter Visitor/Tourism Strategy 2007-2010.

2.0 BACKGROUND

- 2.1 Executive approved the Exeter Visitor/Tourism Strategy 2007-2010 on 13 March 2007 and implementation started from April 2007.
- 2.2 The aim of the Strategy is to:-
“further develop the city as a nationally recognised visitor destination in a sustainable manner, focussing on Exeter's strengths as the regional capital as a leading, cultural, heritage and shopping destination, in providing jobs and supporting businesses. The intention is to increase tourism activity (visitor income) by 15% within the lifetime of the strategy”.
- 2.3 The focus of the Strategy is on encouraging more short- break, day visitors and groups to the city and the area, thus increasing the level of tourist spend within Exeter. The appeal of the city has been increased since the adoption of the strategy through the opening of Princesshay, the re-opening of St Nicholas Priory and Exeter's Underground Passages, and improvements to city centre pedestrian signage and the public realm. Developing the Royal Albert Memorial Museum, the Quay House Visitor Centre and the future development of the bus station site will further improve the appeal of the city to the short break, day visitor and group markets.
- 2.4 Actions from the Visitor/Tourism Strategy form part of the Tourism Unit's annual work programme and 'Service Improvement Plan'.
- 2.5 Tourism to the city was worth just over £165.5 million in 2007, which supports an estimated 4,000+ jobs, covering the sectors below. The information was gathered from the Cambridge Economic Activity model, which shows the volume and value of tourism to the city. The model is commissioned every 2 years; data for 2009 will be released mid 2010.

Type of spend (2007)	£ million
Accommodation	£26.3
Shopping	£46.6
Food & Drink	£44.4
Attractions & Entertainment	£16.8
Travel	£18.3
Visiting Friends & Relatives	£13.1
TOTAL	£165.5
Total estimated Jobs (supported by the above spend)	4,000+

3.0 PROGRESS TO DATE

3.1 The following four priorities were agreed in the Strategy to be implemented in partnership with the tourism business community in the city and the Exeter & Essential Devon Tourism Partnership. A benchmark set of indicators for measuring progress was set out and based on 2005 figures, as the latest available at the time of agreeing the strategy. A brief overview of outputs and progress during 2009 is listed below under each priority:

3.1.1 **Priority 1 - To build on Exeter's position as a year-round quality visitor destination** by developing in partnership a series of themed marketing campaigns to raise the profile of the city nationally, regionally and locally, aimed at increasing visitor numbers and spend.

Progress to date:

- new shopping website launched (www.exetershopping.org);
- enhanced promotional shopping campaign developed covering winter 2009;
- local company appointed to develop and implement a search engine optimisation campaign to increase unique website hits to www.exeterandessentialdevon.com;
- new Group Organisers Guide and booking form launched covering the Exeter & Essential Devon area, to promote Exeter as a place to visit for groups;
- reduce size of the Exeter & Essential Devon Visitor Guide from A4 to A5 to reduce postage costs. 100,000 copies were printed and distributed nationally and internationally. Savings were channelled into a wider promotional campaign for the area;
- participation in county wide journalist visits, ensuring Exeter is covered in all press articles covering Devon;
- St Nicholas Priory included in all heritage themed advertising undertaken by Tourism Unit, to provide the visitor with comprehensive information on heritage attractions to visit in Exeter;
- bi-monthly email-newsletter sent to visitors requesting information on Exeter & Essential Devon;
- all brochures and leaflets produced by the Tourism Unit available to download as PDF's from tourism websites, reducing postage costs;
- Exeter & Essential Devon Visitor Guide, Exeter & Essential Devon Group Organisers Guide, Exeter Mini Guide and Exeter Shopping & Parking Map all produced as digital guides and available to download from tourism websites.

Outputs to date:

- unique website hits to tourism website (www.exeterandessentialdevon.com) increase by 426%;
- increase of 5.5% in the amount of people who visit the city for a day and an increase in their expenditure by 11.6% (between 2005 and 2007);
- increase of 132% in the amount of people who visit the city to visit friends and relatives (between 2005 and 2007);
- total visitor related spend within the city increased by 3.7% (between 2005 and 2007).

3.1.2 Priority 2 - To raise the quality and competitiveness of the visitor experience in Exeter by developing and improving city attractions, events and visitor services.

Progress to date:

- Exeter's Underground Passages achieved Quality Assured Visitor Attraction award which is a quality assessment and management tool to help improve the service offered to customers;
- autumn promotional campaign developed and implemented to increase the amount of people who visit Exeter's Underground Passages during the winter months;
- Exeter Cathedral included within the group booking service, to improve the service offered to group organisers;
- Exeter Group Privilege Card re-introduced and distributed to group organisers;
- Exeter's green spaces included in the annual Exeter Mini Guide and tourism websites.

Outputs to date:

- an increase of 29% in people attending a Red Coat Guided tour (between 2005 and 2009)
- an increase of 6% in usage of the Quay House Visitor Centre (between 2005 and 2009)
- an increase of 19% in visitor numbers of Exeter's Underground Passages Exeter (between 2005 and 2009)
- an increase of 45% in group bookings made through Tourism Unit (between 2005 and 2009)
- a decrease of 9% in usage of Exeter Visitor Information & Tickets (between 2005 and 2009). This is primarily due to visitors sourcing their own information and booking accommodation pre-arrival via the internet, through mobile phones and other electronic devices.

3.1.3 Priority 3 - To maximise economic benefits and employment opportunities from tourism by strengthening the partnership with the business community and supporting improvements and additions to the accommodation stock.

Progress to date:

- Exeter & Essential Devon Tourism Partnership incorporated and registered at Companies House with the purpose of promoting the area for short breaks, long holidays and group visits;
- training programme developed and implemented in conjunction with the Devon Tourism Skills Network and South West Tourism;
- development and promotional work continues with Visit Devon - new website launched (www.visitdevon.co.uk) which includes listings of Exeter visitor facilities;
- new hotel stock promoted on tourism websites and included in press releases relating to investment within the city and new developments;
- build started on the Flybe Academy, which includes a hotel and training academy for pilots, cabin crew and ground crew;
- work continues on promoting Sky Park and Science Park as sites for further hotel development.

Outputs to date:

- 9% increase in membership of the Exeter & Essential Devon Tourism Partnership within the last 12 months, which allowed for greater marketing of the area nationally;
- 5% increase in employment supported by tourism spend within the city (between 2005 and 2007);
- 23 individuals took part in training courses run by Devon Tourism Skills Network and South West Tourism during 2009.

- 3.1.4 **Priority 4 - Improve the position of Exeter as a short break destination through sustainable tourism initiatives** by encouraging tourist facilities within Exeter to raise quality standards and to adopt a sustainable approach to tourism development.

Progress to date:

- themed car free days out itineraries available to download from tourism websites, covering shopping, walking, gardens and visiting historic sites within the Exeter & Essential Devon area to encourage visitors to travel around the area by public transport;
- Code of Practice developed for group related accommodation and attractions within Exeter & Essential Devon to ensure that groups receive readily available helpful information on pricing, access, special offers and receive an excellent welcome;
- information distributed to tourism businesses on the benefits of participating in the Green Tourism Business Scheme.

Outputs to date:

- 12 businesses achieve accreditation through the Green Tourism Business Scheme, a national sustainable tourism certification;
- email database increases by 285%, to 27,000 contacts, to enable us to communicate with our customers more cost effectively and to reduce paper based communications.

4.0 EXETER & ESSENTIAL DEVON TOURISM PARTNERSHIP

- 4.1 Realising the tourism potential of the city goes hand in hand with exploiting opportunities presented within Exeter and the wider area. The key is to have a concerted effort to minimise duplication, where possible, pool resources and maximise promotion through an integrated approach. Over the past three years the Tourism Unit has been working on developing the Exeter & Essential Devon Tourism Partnership, which broadly covers the areas of Exeter, East Devon, Mid Devon and Teignbridge.
- 4.2 Articles of Association, a Memorandum of Association and a comprehensive business plan have been developed, and the company has been registered at Companies House (company number 4689320). Funders of the Tourism Partnership include Exeter City Council, Exeter & the Heart of Devon Hotels & Restaurants Association, Axe Valley Promotions, the Blackdown Hills Business Association and local tourism businesses through a membership fee.
- 4.3 Board meetings occur every two months and discuss current and future planned activities, along with joint projects to be undertaken with Visit Devon and other Tourism Partnerships within Devon. Work undertaken by the Tourism Partnership, current and planned, includes:
- website development and promotion (www.exeterandessentialdevon.com)

- business support activities
- work with Visit Devon on the promotion of Devon nationally and internationally
- press and public relations, and journalist visits
- distribution of postcard to targeted areas within the UK, with the aim of increasing email addresses
- national advertising of destination, visitor guide and website
- brochure production, distribution and fulfilment
- visitor and business e-newsletters
- attend national exhibitions to promote the area to the group and conference market
- development of themed promotional campaigns
- recruitment of tourism related businesses within the area to the membership scheme

4.4 As of January 2010, membership to the Tourism Partnership stands at 269, which covers mainly attractions and accommodation providers based within Exeter, East Devon, Mid Devon and Teignbridge. A new membership scheme is being developed and will be launched by April 2010 and will offer benefits and services that are not offered by other agencies. It is intended to grow the membership base by 50% by recruiting additional accommodation providers and attractions as well as food & drink, transport and retail organisations.

5.0 CURRENT ECONOMIC CLIMATE

5.1 Initially, the economic downturn was predicted to have a positive effect on the domestic tourism market, but this has been slow to develop, especially within regional cities. There is still widespread concern about the economic downturn as most people/visitors have altered their spending patterns.

5.2 Headline information released by Visit Britain in January 2010 indicates nationally that:

- a) overseas (inbound) visits are down 8.8%, with spend down by 1.9% in the last 12 months to November 2009;
- b) domestic overnight trips have increased by 3.3%, with spend down by 1% in the last 12 months to November 2009.

5.3 From a survey completed in November 2009 by South West Tourism, respondents reported a decrease in visitor numbers when compared to the same month in 2008. Over 48% of respondents said that visitors were spending less and 41% stated that visitors were spending about the same.

5.4 From a recent survey completed by Visit Devon, tourism businesses are optimistic about the year ahead; headline facts included:

- a) 75% of businesses are reporting that forward bookings are the same or better than last year;
- b) 70% experienced an uplift in 2009 Christmas bookings;
- c) 20% of accommodation providers are full for Easter.

5.5 The economic climate and the fall of the pound against the euro have had a marked difference on people's buying decisions for their annual domestic and overseas holiday(s). However, as shown above, local and national research indicates that holidays are still a priority for UK adults.

5.6 The Exeter & Essential Devon Tourism Partnership will build on work already achieved during 2009, to promote the area as an affordable destination for

families and couples wanting a short break or longer holiday. To help with this, the 2009 Exeter & Essential Devon Visitor Guide has been advertised more widely with £25,000 already committed. The Tourism Unit work continuously on the tourism website (www.exeterandessentialdevon.com) to ensure that it appears on internet search engines, particularly for people searching for family holidays in the South West and Devon. It is planned to develop a national marketing campaign to promote the area to conference organisers and group organisers, to increase the amount of spend and people who visit the area.

Recession funding

5.7 The City Council allocated £35,000 mid 2009 to promote the area for a short break or long holiday to help businesses recover from the economic downturn. The following initiatives have been implemented to help increase the awareness of Exeter as a destination for a holiday:

- implement annual Search Engine Optimisation campaign to help increase website traffic to www.exeterandessentialdevon.com and www.exetershopping.org;
- invite travel journalists to visit to Exeter to enable them to write articles on how accessible the city is and what there is to see and do, targeting Flybe routes into Exeter and the national press;
- financial contribution to South West marketing campaigns, to enable Exeter and its surrounding area to be featured, including: Cities, Gourmet, Family and Rural marketing campaigns;
- install platform posters at key train stations to encourage people to visit Exeter by public transport for a short break holiday including Bath Spa, Bristol Temple Meads, Cardiff Central, Cardiff Queen Street, Newport, Gloucester, Newbury and Reading;
- distribute postcards within the above towns and cities and Flybe routes into Exeter, to promote Exeter as a short break holiday destination;
- develop a family marketing campaign promoting Exeter & Essential Devon for a week long holiday.

6.0 PERFORMANCE MONITORING

- 6.1 A set of key performance indicators were included in the Strategy as a basis for monitoring trends and the effectiveness of the actions, which are listed within Appendix 1. Figures for 2005 were taken as the baseline as the most recent information available at the time. This has been updated to include data for 2009.
- 6.2 Facilities managed by the Tourism Unit have seen a variation of increases and decreases from +24% to -9%. This has been attributed to changes in visitor booking patterns, the current economic climate and better promotion of a number of facilities.
- 6.3 The total number of people visiting Exeter Visitor Information & Tickets (EVIT) and the amount of accommodation bookings made through EVIT has fallen, in line with national trends. This is mainly the result of an increase in the usage of the internet and mobile phones, and people booking online before their visit to the area. The centre continues to be used by those wishing to visit the city, and once in the city, to receive information on what there is to see and do and make their stay as enjoyable and stress free as possible. The centre is also heavily used by residents of Exeter to gain information on events within the city, find information on where to take visiting family and friends; and to book theatre tickets through the Exeter Northcott Theatre booking desk.

- 6.4 The 'Cambridge Economic Impact Model' is commissioned every two years (by South West Tourism) to estimate the volume and value of tourism to the South West economy. Data is then extracted for the sub-regions, including Exeter. The model draws down data from the United Kingdom Tourism Survey for domestic visitors, the International Passenger Survey and the England Leisure Day Visits Survey. The 2009 survey is due to be released in autumn 2010.
- 6.5 From the most recent Cambridge Economic Impact Model (2007), which can be seen in Appendix 2, it is estimated that tourism is worth in the region of £165.5 million annually to the Exeter economy, an increase of 3.7% from 2005. Some 4,000+ jobs are supported within hotels, attractions, cultural venues, eating out venues and transport facilities within the city, an increase of 5.4%.
- 6.6 The main points arising from comparisons from 2005 to 2007 include:
- total actual jobs supported by tourism spend has increased by 5.4%;
 - spend from day visitors has increased by 11.6%;
 - spend from overnight stays has decreased by 5.1%;
 - visits to friends and relatives has increased by 132%;
 - the total amount of bed spaces within Exeter has increased by 11%;
 - total tourism spend has increased by 3.7%.
- 6.7 The Cambridge Economic Impact Model has to be treated with some caution, as for example it shows a drop in overnight trips and expenditure in 2007, which goes against information provided by the local industry. It is useful as an indicator of trends, but the absolute figures are the results of a model not comprehensive information.

7.0 PRIORITIES FOR 2010 - 11

- 7.1 Considerable capital investment has been made in the infrastructure of the city to increase the appeal of and to cater for visitors to the city. References have been made earlier in this report to investment in pedestrian signage throughout the city and the re-opening of upgraded facilities at St Nicholas Priory, the Underground Passages, EVIT and Princesshay.
- 7.2 The focus for 2010-11 will be on delivering outstanding actions from the Visitor/Tourism Strategy, developing the Exeter & Essential Devon Tourism Partnership and paying particular emphasis on the promotion of the city in light of the challenging national economic climate. These are again broken down into the four strategy priority areas as follows:
- 7.2.1 **To build on Exeter's position as a year-round quality visitor destination** by developing in partnership a series of themed marketing campaigns to raise the profile of the city nationally, regionally and locally, aimed at increasing visitor numbers and spend, as follows:
- re-design and re-launch www.exeterandessentialdevon.com and www.exetershopping.org taking account of customer feedback, improved technology introduced since its launch and to improve functionality;
 - through the Exeter & Essential Devon Tourism Partnership, increase the promotion of the area regionally and nationally through more advertising, increasing the frequency of the e-newsletter sent, wider distribution of the Visitor Guide,

increase in press releases issued and development of a family promotional campaign;

- work with Visit Devon to promote the area to the overseas market, primarily focusing on the development of web-based promotions, to include www.cornwall-devon.com (France, Germany and Netherlands), www.mysouthwestengland.com (USA) and www.suedwestengland.de (Germany). Not undertaken during 2009, due to changes within Visit Devon;
- review literature produced by Economy & Tourism Unit to reduce amount of guides produced and printed, to redirect revenue into effective web-based promotion;
- build on the success of previous Christmas promotional campaigns;
- further develop bird watching themed campaign promoting the area nationally for short breaks.

7.2.2 Priority 2 - To raise the quality and competitiveness of the visitor experience in Exeter by developing and improving city attractions, events and visitor services

- work with Leisure & Museums on the opening and promotion of RAMM;
- work with Devon County Council on developing and promoting the Exeter Tour Series cycle racing event;
- apply for the 'Quality Assured Visitor Attraction' award for the Quay House Visitor Centre, which is a management tool to help improve customer satisfaction;
- increase the promotion of the refurbished Quay House Visitor Centre
- promote the area to the conference market, including attending exhibitions, PR, direct mail and website development;
- review coverage and the effectiveness of brown tourist highway signs, in-conjunction with the relevant officer at Devon County Council;

7.2.3 Priority 3 - To maximise economic benefits and employment opportunities from tourism by strengthening the partnership with the business community and supporting improvements and additions to the accommodation stock.

- launch new membership scheme covering the Exeter & Essential Devon area to strengthen and improve engagement with the tourism industry, and to secure new members to increase marketing of the area;
- engage with a wider range of tourism business through the Exeter Tourism Forum, to develop new tourism projects within the city to improve the visitor offer;
- continue to work with the Economic Development Team on enquiries received on potential investment in new hotel developments.

7.2.4 Priority 4 - Improve the position of Exeter as a short break destination through sustainable tourism initiatives by encouraging tourist facilities within Exeter to raise quality standards and to adopt a sustainable approach to tourism development.

- enhance information already on tourism websites on how to visit and travel around the area by public transport;

- encourage businesses to take part in award schemes related to their sector (South West Tourism Excellence Awards, Taste of the West and the Federation of Small Businesses);
- work with Visit Devon on the introduction of the Devon Tourism Awards;
- improve the local accommodation inspection scheme, delivered by the Exeter & Essential Devon Tourism Partnership;
- work with Environmental Health to help tourism related businesses in producing 'Environmental Management Plans' covering all green issues.

7.3 The above actions will be delivered through the annual Tourism Unit budget and the resources of the Tourism Partnership, as shown below.

8.0 FINANCIAL IMPLICATIONS

8.1 Council involvement and contribution towards delivering the Exeter Visitor/Tourism Strategy has been met from within existing financial resources as summarised in the table below.

Tourism Unit Budget 2009-10	Net
Tourism Administration	£140,410
Tourism Marketing	£109,150
Exeter Visitor Information & Tickets	£176,410
Exeter's Underground Passages	£95,660
Quay House Visitor Centre (funded by ECQT)	£50,080
Red Coat Guides	£17,470
Exeter & Essential Devon Tourism Partnership	£80,000
Total	£669,180

8.2 The budget for the next year is generally as above less the proposed planned budget reductions covered by a separate report to this committee.

9.0 RECOMMENDED that:

9.1 Members note the progress made with implementing the 2007-2010 Exeter Visitor/Tourism Strategy and support the actions proposed to be undertaken during 2010/11.

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 the report:

1. Report to Scrutiny Committee - Economy 18 January 2007
2. Report to Scrutiny Committee - Economy 12 March 2009

APPENDIX 1

Tourism Performance Indicators

Tourism Performance Indicators related to the actions within the strategy	2005	2006	2007	2008	2009	% + / - from 2005
Number of visitors to the Tourist Information Centre (EVIT)	87,955	72,899	74,800	106,234	79,618	-9%
Comment:	The fall in visitors to EVIT is due to a number of reasons, but particularly with visitors sourcing their own information, accommodation and tickets pre-arrival via the internet and the increased use of mobile phones and other devices.					
Number of accomm. bookings made in the Tourist Information Centre (EVIT)	758	648	615	428	413	-45%
Comment:	As above.					
Number of visitors on a Red Coat Guided Tour	12,912	14,617	18,114	17,204	16,125	24%
Comment:	The Red Coat Guides are dependant on good weather and due to us having a number of bad summers, figures have reduced over the past 2 years.					
Number of Visitors to the Quay House Visitor Centre	23,471	26,048	24,561	26,123	25,060	6%
Comment:	A new leaflet highlighted the Quayside and its attractions was produced, so boosted visitor figures during 2008, but due to continuous bad weather during 2009 visitors to the Quay dropped. Following refurbishment, currently underway, the centre will be promoted.					
Number of visitors to the Underground Passages	18,459	Closed	4,753	19,863	18,896	2%
Comment:	The centre was closed for just over two weeks during the main 6 weeks summer holidays during 2009 due to a burst water main and subsequent repairs to the passages, resulting in the loss of approx 2,000 visitors. Visitors to the Underground Passages were expected to rise by 10% during 2009.					
Number of visitors to the Royal Albert Memorial Museum	233,408	247,000	192,025	Closed	Closed	N/A
Comment:	Museum closed due to major refurbishment, due to open Spring 2011.					
Number of visitors to Exeter Cathedral	187,000	142,000	170,000	131,741	109,778	-41%
Comment:	2008 saw the introduction of an admission fee and the official counting of visitors; previous attendance was estimated.					
Unique visitors to city council website www.exeter.gov.uk/visiting	33,087	30,312	Not known	Not known	Not known	N/A
Comment:	No data is available due to the City Council website stats package contract ceasing early 2007.					

Unique visitors to Tourism Partnership website www.exeterandessentialdevon.com	24,107	28,596	40,508	42,258	134,206	456%
Comment:	The website is promoted on all promotional literature produced by the Tourism Unit, work is also undertaken to help improve the ranking within Google. This has resulted in a large increase in unique website hits.					
Total group bookings made through the Tourism Unit	334	363	445	500	486	45%
Comment:	Group bookings have increased due to increased promotion of the Tourism Unit's facilities through the group booking service.					

APPENDIX 2**Cambridge Economic Impact Model****Economic impact of tourism within Exeter**

	2005	2007	% + / -
Direct actual jobs	2,927	3,119	6.5%
Indirect actual jobs	923	940	1.8%
TOTAL ACTUAL jobs	3,850	4,059	5.4%
Day visits	1,494,000	1,576,000	5.5%
Day visitor expenditure	£67.8 million	£75.7 million	11.6%
Overnight trips	399,000	396,000	* - 0.7%
Overnight trips expenditure	£82.9 million	£78.6 million	* - 5.1%
Visits to friends & relatives	88,000	204,000	132%
Other tourism expenditure	£8.8 million	£11.2 million	27%
Bed spaces	5,881	6,539	11%
TOTAL TOURISM EXPENDITURE	£159.5 million	£165.5 million	3.7%

Source: South West Tourism

* Anecdotally, the local tourism accommodation providers do not concur with this negative figure in view of high levels of business activity at that time.

EXETER CITY COUNCIL

SCRUTINY COMMITTEE – ECONOMY 11 MARCH 2010

EXETER POSITIVE STEPS FUND

1 PURPOSE OF REPORT

- 1.1 To inform Members about the outcomes and outputs arising from activities under Exeter Positive Steps Fund from projects funded since September 2008.
- 1.2 To recommend further financial contributions from the City Council to continue support to help people in Exeter on the pathway into employment through this Fund.

2 BACKGROUND

- 2.1 The Exeter Positive Steps Fund was established after securing funding from the European Social Fund (ESF) Global Grants Programme. Global Grants were devised to enable small organisations to access small grants, £10,000 or below, to support work with unemployed people and help them move towards employment.
- 2.2 The Positive Steps Fund was launched in January 2006. The money from the Fund was available for allocation only to community and voluntary groups that help people of working age in Exeter, particularly those living in deprived wards, to improve their skills, build confidence, assist them on the road to work and/or improve their earning potential. Grant support has not been provided to support the administrative or other overhead costs of organisations.
- 2.3 The City Council in partnership with Devon Community Foundation (DCF), established the Exeter Positive Steps Fund with HSBC. Subsequently they were joined by Devon County Council and the Department for Education & Skills (now the DCSF) and an independent charitable trust, all of which contributed various amounts of funding to match the European Social Fund (ESF) grant of 45%. The ESF supported Fund provided grants totalling £350,000 to 50 projects helping 1,417 participants, with:
 - 221 taking up further training or education (16%),
 - 301 becoming volunteers (21%),
 - 110 finding employment (8%) and
 - 38 coming off benefits (3%).
- 2.4 As reported on the 4th September 2008, ESF funding ceased in March of that year. Members approved the release of £31,520 from the Economy and Tourism Budget 2008/09 to support the continued delivery of the Exeter Positive Steps Fund. Friends Provident and a local charitable organisation also each provided £20,000 as matched funding contribution.
- 2.5 The co-ordinator of the Fund continues to be DCF, using an outreach worker to encourage and support applicants from community and voluntary groups.
- 2.6 A panel, chaired by the City Council, made up of organisations from the public, private, and voluntary sectors reviews applications for grants. Target client groups include people who have disabilities, are lone parents and carers, long-term

unemployed, or have never worked, whose first language is not English, or are offenders or ex-offenders.

- 2.7 Priority areas for funding to reach target client groups defined as being most in need, include those living within parts of the following wards: Priory, St. David's, Newtown, Mincinglake, and Cowick. These areas accord with the priority areas identified by the City Council in partnership with members of the Exeter Positive Steps Fund and agreed as priority areas for joint activity through the Social Health and Inclusion Partnership (SHIP).

3. EXETER POSITIVE STEPS FUND

Unemployment

- 3.1 Unemployment in Exeter has risen significantly since the onset of the recession albeit having started to fall again more recently. The unemployment rate in Exeter in September 2007 was 1.2%, whilst in December 2009, the rate was 2.4%, amounting to 2005 people. In the most deprived areas of the city, there are higher unemployment rates of between 3.5% and 8.5%.
- 3.2 Whilst the number claiming Job Seekers Allowance (JSA) in Exeter has been declining gradually since June 2009, the number claiming for more than 6 months has more than doubled since December 2007 from 200 to 530 people. In addition, the number of people unemployed for 12 months or more in Exeter has also increased from 90 people in December 2007 to 190 in December 2009, demonstrating that an increasing number of people are finding it difficult to return to work.
- 3.3 Moreover, in common with the county, regional, and national picture, the number of young people claiming JSA has risen faster than other age groups. Within the city, there are 670 young people under the age of 24 years claiming JSA (December 2009):
- 250 were aged 16-19 years (12.5% of all unemployment) – 150 males and 100 females
 - 630 were aged between 18-24 years of age (33% of all unemployment); of these, 115 have been claiming for over 6 months and 25 for over 12 months; of these 115 young people, 80 are males and 35 are females.

Future Jobs Fund

- 3.4 The Future Jobs Fund was launched in 2009 by the Department of Work and Pensions (DWP), which encouraged bids from projects to help primarily, long-term young unemployed people aged 18-24 years find work, anticipating jobs starting from October 2009 onwards.
- 3.5 Officers actively supported a Devon wide bid including Torbay to secure interest and job offers from local employers to create jobs for at least 6 months duration. A successful bid securing up to £6,500 per job was made to the Future Jobs Fund by the County Council on behalf of the partners, for the creation of up to 157 jobs, 49 of which are in Exeter, amounting to funding of over £318,000. A partnership support package for employers and employees has been established, which includes an employment skills course for the young people that will provide them with a range of skills and experience to support them in the temporary job, as well as helping them to find future employment.

Helping people to find work

- 3.6 However, despite a number of Government initiatives, it remains the case that people affected by multiple deprivation, the principal client group of the Exeter Positive Steps Fund are often not engaged fully and 'fall through the gaps' of support to help them on the pathway into employment.
- 3.7 On the face of it, Government initiatives provide an array of support to help people into work through Job Centre Plus programmes, such as 'Progress2work', 'Work Trials', 'Work Paths' and Flexible New Deal. These respectively are aimed at:
- allowing people who are eligible, primarily unemployed for more than 6 months and on job seekers allowance or some other benefits to try out a job, without losing state income, with an employer for up to 14 days to see if the employment suits both the employee and the employer
 - helping people who are affected by health and disability issues to overcome their barriers into work
 - helping people unemployed for more than 12 months with confidence building and the acquisition of new skills to find employment
 - helping people find work when they are recovering from drug use by providing specialist support for up to 13 weeks once an individual has gone into employment and or training
- 3.8 However many still find it difficult to access services and many are left in the dark about what is available, such as information on debt and mortgage assistance. Those without a strong support network are often unaware or are distrustful of the help available and are more at risk of falling through the gaps in the service.
- 3.9 Many individuals that have been supported through Exeter Positive Steps are affected by multiple issues, have limited networks and confidence and for a host of reasons will not access mainstream services due to an inability to cope with the bureaucracy, the processes or a general mistrust of 'the authorities'.
- 3.10 Not surprisingly, the Department of Work and Pensions (DWP) and others have continued to urge local authorities and Local Strategic Partnerships (Exeter Vision Partnership) to continue to prioritise activity to help people find and stay in work.
- 3.11 A range of services and initiatives of the City Council contribute to helping people affected by worklessness, including through: -
- housing advice and provision of support and temporary accommodation for people who are homeless
 - funding additional debt advice and support for residents through provision from Exeter Citizen Advice Bureau (CAB)
 - advice and guidance in starting up a small business through Exeter Business Support
 - workforce development of people affected by worklessness through the Exeter Positive Steps Fund.

Progress of Exeter Positive Steps

- 3.12 Grant support, totalling £48,810 has been given since October 2008 to 11 groups in Exeter that have taken a variety of approaches in supporting unemployed people. In addition, the independent charitable trust partner within the Exeter Positive Steps Fund donated a further £35,000 to four of these Positive Steps funded groups.

- 3.13 The overall cost of the 11 projects undertaken since October 2008 is £132,279 making the Exeter Positive Steps Fund grants contribution equate to 37% of overall project costs. Taking into account the contribution from the charitable trust, the Fund has 'successfully' leveraged £118,469 in additional funding. Appendix 1 contains a summary of the projects funded.
- 3.14 Members should note that not all applicants supported have completed their projects, thus total actual outputs are not yet available. However, most groups have either achieved or overachieved on their targets with only a couple of groups narrowly missing them.
- 3.15 In terms of monitoring equality of opportunity for support on the road into work, projects recorded the following from individual participants. It should be noted that any one individual may fall into one or more categories, for example, one might be a lone parent/carer who is also in need of training to enhance basic skills. Out of all the 245 participants supported thus far, 103 are male and 142 are female:
- 66 had a first language that was not English
 - 69 were from black and minority ethnic (BME) groups
 - 19 had some form of disability
 - 10 were carers
 - 91 had basic skills needs
 - 31 were offenders or ex-offenders
 - 21 were young people
 - 142 were unemployed
- 3.16 Of those people supported by the Fund, 39 have gone into employment, 2 have come off benefits, 19 have gone on to further training, and 37 have gone on to volunteer work as a further step to improve their confidence, skills and experience.
- 3.17 The numbers and ages of participants supported to date by Exeter Positive Steps are set out below:
- 16 – 19 years – 29 people
 - 20 – 29 years – 118 people
 - 30 – 44 years – 73 people
 - 45 – 59 years – 21 people
 - 60 – 65 years – 4 people

Monitoring Visits

- 3.18 In November 2009, Devon Community Foundation and the independent charitable trust undertook project monitoring visits to assess progress and the context of performance, a summary of their findings are set out below.
- Some participants had not progressed as quickly as others because of their different starting place; for example in their abilities, skills, homelessness, drug or alcohol dependency, other health problems, levels of confidence and self esteem, trust and motivation.
 - Projects worked well by :
 - adapting to an individual's needs and providing tailored support to each participant and at a pace they could manage, taking a holistic intensive approach and providing focused support in helping them making progress towards work

- aiming for high levels of trust with participants, enabling them to build new and more productive relationships and understand the expectations of the world of work.
- Many groups needed to have access to funds to help the individuals buy suitable clothes or equipment for work and pay for certification. Sources of funding for these purposes are few and far between. Accessing such funding is not easy. A single 'pot' of funding available for discretionary grants to participants to support them at key stages in their journey into work would be invaluable.

4 NEXT STAGE

- 4.1 It is important to note that this is not the final assessment of the 11 projects funded since October 2008 as the full potential range of attributable outcomes will continue to emerge over the coming months.
- 4.2 The ESF Global Grants programme between 2006 and March 2008 had access to over 3 times more funding than the current Exeter Positive Steps Fund and provided grants totalling £358,000 to 50 projects at an average of £7,160 per project.
- 4.3 The major change as a result of the reduction in funding available was to reduce the grants to a maximum of £5,000 per project and one impact of this has been a reduction in applications.
- 4.4 Officers have met with Devon Community Foundation and the independent charitable trust who have expressed their interest in trying to establish a longer-term more collaborative and strategic approach to support the Exeter Positive Steps Fund. Such an approach would achieve several different aims:
- build on success and support those groups which are effective and achieve real outcomes for individuals
 - help secure the stability and long-term viability of projects
 - enable organisations to share their experiences, reduce duplication of effort and support one another in development of approaches
 - reduce the complexities and costs of administration in bidding for funds and enable organisations to design and implement effective measurement of impact
 - enable the funding partners to learn directly from those with the necessary expertise on how best to reach and target the SHIP priority geographic areas covered within Exeter for best results and value for the investment made.

Proposal

- 4.5 It is proposed that Officers together with DCF work with the most effective groups that have delivered projects supported by the Positive Steps Fund and establish a small number of collaborative but larger projects that principally support the target client groups from within the SHIP priority areas of the city as referred to in 2.7 above.
- 4.6 Whilst the detail of collaborative arrangements have yet to be established, projects will consist of 5 main building blocks that will help each participant make progress towards work or actually into paid employment. These building blocks are as follows:
- address the critical issues affecting a person's motivation and capacity to work
 - through individual and team activities, develop an individual's interpersonal and intra-personal skills to help them become effective potential employees
 - provide further training in core skills, such as maths, literacy and ICT and assist those with raised aspirations to access further training and skills development to enhance their choice of employment and earning potential

- provide opportunities to individuals so motivated to actively participate in volunteering, which enables them to experience some of the expectations of work, but also gain valuable learning in working on their own and in a team environment
- through a 'job club' assist participants to support one another and also develop practical job search skills with support to help them apply for jobs and participate effectively in interviews for employment.

4.7 Anticipated outputs are based on conservative estimates from performance achieved from previously funded projects and are as follows:

- 305 participants from the target client population per annum, of which:
 - 49 will go into employment
 - 24 will go on to further training and skills development
 - 48 will go on to volunteering

4.8 The anticipated outcomes of collaborative project work are likely to be:

- economies of scale as monitoring and resources are shared between the groups delivering activity
- improved access to the most 'hard to reach' individuals who do not access or trust provision from mainstream services
- the attraction of further financial support for the Exeter Positive Steps Fund from new donors, both corporate and private
- better engagement with local employers to support the employment of people affected by worklessness.

5 FINANCIAL IMPLICATIONS

5.1 Since September 2008, £106,250 has been available to the Positive Steps Fund; £16,381 remains.

5.2 It is recommended that the City Council allocates a further £62,500 up until March 2011 using budgets available in 2009/2010 and 2010/2011 from the Economy and Tourism Budget for skills development.

5.3 The independent charitable trust has already indicated their willingness to commit at least £30,000 per annum to match the City Council's Funding over this time-frame.

5.4 It will be a target of the new strategic approach to attract further co-funding for the Exeter Positive Steps Fund.

5.5 Forecast initial funding for Exeter Positive Steps is as follows: -

Funder	Amount per annum	Total amount over 2 financial years
Exeter City Council	£31,250	£62,500
Independent local charitable trust	£30,000	£60,000
Positive Steps Fund carried forward		£16,381
Total	£60,250	£138,881

6 RECOMMENDED that:

- 6.1 Members note the report.
- 6.2 Members support and agree to the release of £31,250 from the Economy and Tourism Budget 2009/2010 and from the next financial year to support the Exeter Positive Steps Fund.

**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:

'Global Grants – Exeter Positive Steps', Scrutiny Committee – Economy, 4 September 2008

APPENDIX 1

Progress on projects supported by the Exeter Positive Steps Fund

Applicant	Date Funded	Brief Note	Progress	Target no. of people supported	Actual No.	M	F	Grant awarded	Total Cost
EDP Drug & Alcohol Services	15/10/2008	to offer a 12 month programme of activities including Canoeing, Horse Riding and Photography to people who have or have had problems with drugs	Report received but further statistics requested. Project has been successful in terms of team building and increasing awareness of other forms of activity and interest.	10	10	4	6	£4,992	£5,112
St Petrock's (Exeter) Ltd	15/10/2008	providing homeless people with workshops, help and advice on securing employment	Volunteers provide 1:1 basic accredited skills training in maths literacy and IT. Participants gain a huge amount of motivation, as many of them had not previously achieved a certificate of any kind. The training is not available through LSC/Exeter College as much is at entry level rather than NVQ1 or 2 which is too expensive to provide. Some of the tutors have themselves been street homeless. Participants need considerable support as they have other barriers to learning and progression. Building up this range of skills helps the participants to be better equipped to move on. Target outcomes – 20 into employment, 5 into volunteering, and 70% with improved confidence, motivation, and self-esteem.	40	38	33	5	£3,000	£18,400

Progress on projects supported by the Exeter Positive Steps Fund

Applicant	Date Funded	Brief Note	Progress	Target no. of people supported	Actual No.	M	F	Grant awarded	Total Cost
Ivy Project	15/10/2008	to develop an application, interview and review programme for young unemployed volunteers	Project has progressed well. A carefully designed programme to enable young people to examine their own attributes and skills to find out what type of work they would like to do and to build their confidence and self esteem. They use their volunteering experiences to gain skills and to reflect this back into their CV's and job search. Target – all 10 participants will complete a job application and be able to match their existing skills with vacancies	10	10	5	5	£4,998	£4,998
Magic Carpet	01/05/2009	to work with unemployed people, including those with learning disabilities and mental health issues using creative activities to build confidence.	Some delay in getting project started but now nearly finished at the Phoenix Centre; 9 people have stayed the course; important as it shows that they have been able to commit to the programme. The participants had previously discounted education and most had not gained any certificates. They had a real fear of the educational process, but now see this is within their reach and have completed a portfolio of work which could be assessed. Magic Carpet has successfully bid for a Lottery Grant and will be able to continue their work in this area.	15	13	2	11	£2,645	£2,645
Exeter YMCA	01/05/2009	to start a job club project based in St Davids Hill, Exeter	4 people were street homeless and are now in work. A range of Exeter Groups makes referrals to Exeter YMCA: 15 people have gone into work, 2 into education; 2 into volunteering; 2 into	70	71	29	42	£5,000	£33,904

Progress on projects supported by the Exeter Positive Steps Fund

Applicant	Date Funded	Brief Note	Progress	Target no. of people supported	Actual No.	M	F	Grant awarded	Total Cost
			training. Job coaching is a key part of the service to help people find what they want to do including CV preparation. Exeter YMCA aspire to reach out across Exeter, but need funding to employ another person. Target is at least 65% to improve employability skills and 20 people access paid employment, education or training.						
Refugee Support Group	01/05/2009	to contribute towards the costs of providing increased support to refugee women	<p>18 of the beneficiaries are receiving 1:1 English as a second language tuition in their homes with 12 volunteer tutors.</p> <p>There is a waiting list of both beneficiaries and volunteers who need to be suitably cleared before they can begin work; 7 have already passed their citizenship tests which either requires a written exam or proof of moving up a level in language competency. The Refugee Support Group works closely with Exeter College to ensure adequate levels are attained. The Group is confident that at least 75% of current membership will achieve citizenship. Number of participants has increased from 40 - 66. In addition to language skills the Group encourages integration and tries to break down barriers even within the beneficiaries caused by different languages and cultures. One has become an interpreter and another works as a volunteer in a charity shop.</p>	43	66		66	£5,000	£26,660

Progress on projects supported by the Exeter Positive Steps Fund

Applicant	Date Funded	Brief Note	Progress	Target no. of people supported	Actual No.	M	F	Grant awarded	Total Cost
			Target – all women will have improved their self confidence and self esteem and achieved or be working towards the Citizenship Certificate and/or ESOL qualification.						
Exeter Community Transport Association (CTA)	03/07/2009	to offer unemployed people the opportunity to learn new skills and qualifications en route to a goal of full employment	Protocol Skills provide the training - High take up of people through the NVQ scheme for retail and customer services: 2 have secured jobs. Opportunities for work experience provided by CTA through their charity shop and shop mobility service. Eleven, undertook customer care training and 1 did business and administration. Training and assessment was on a 1:1 basis. Some struggled with written work but when using Dictaphones they felt more confident. Staff also help participants with job search and interview practice. Target: 6 people taking up retail or customer training and 6 people completing CVs and attending interviews.	10	12	10	2	£4,909	£4,909
Ivy Project	03/07/2009	to increase the employability of all young people, regardless of background, through voluntary work and accreditation	Additional funding was required from other funders; which has now been secured and a worker has been employed; the project started this autumn and thus it is too early to evaluate activity. Target 20 people take up volunteering and 15 young people complete community certificate in volunteering.	20	Data to be provided			£4,995	£10,000

Progress on projects supported by the Exeter Positive Steps Fund

Applicant	Date Funded	Brief Note	Progress	Target no. of people supported	Actual No.	M	F	Grant awarded	Total Cost
Turntable Furniture	03/07/2009	to help unemployed people, often from disadvantaged backgrounds, to volunteer thereby providing them with work experience and increased confidence and skills	Participants are referred from St Petrocks, probation, JCP. They learn to relate to other people, work as a team, take responsibility for their actions, punctuality, and control anger. Alcohol dependency is a big problem but through support and development of trust there is a noticeable decline in length of time and frequency of "binges". Target: improved self confidence and ability to work as team member. Two have moved into full employment.	12	13	13		£3,500	£15,880
Peninsula Coaching Foundation	03/07/2009	to provide Personal Development coaching sessions to young people who will be referred by partner organisations, who are not currently in education, employment or training	Project is only half way through so full statistics are not available. Small steps are taken to increase their confidence leading to them taking greater responsibility for themselves. Target: participants will have identified barriers that are preventing them from moving on and will understand the steps to take to move into education, training, or employment. The project is working on confidence, gaining control of their lives.	12	5	2	3	£4,771	£4,771
Exeter Shilhay Community Limited	09/10/2009	people trained to use a digital camera competently and able to take quality photographs for web publication and receiving paid work as a result of the project	The first tranche of training has already taken place with 6 participants; 3 of whom have completed the course. Another course will take place in the New Year. The participants are enthusiastic about the project and are keen to learn the new skills which will enable them to be paid through the contract being set up to take photographs for the Devon Home Choice	14	6 to date	4	2	£5,000	£5,000

Progress on projects supported by the Exeter Positive Steps Fund

Applicant	Date Funded	Brief Note	Progress	Target no. of people supported	Actual No.	M	F	Grant awarded	Total Cost
			Scheme. Target: 6 people trained to a competent level and 3 gaining paid work as a result.						
Total				256	244	102	142	£48,810	£132,279

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EXETER CITY COUNCIL

SCRUTINY COMMITTEE – ECONOMY 11 MARCH 2010

SOCIAL ENTERPRISE SUPPORT

1 PURPOSE OF REPORT

- 1.1 To inform Members of an initiative of the City Council to establish appropriate support within Exeter to assist in the creation and development of social enterprises.

2 BACKGROUND

- 2.1 Social enterprises are businesses that principally have social objectives, with any surpluses achieved ploughed back into the business or into the community. A range of stakeholders normally own a social enterprise with trading activities providing 50% plus of their revenue.
- 2.2 According to the European Commission on Enterprise and Industry, the social economy within the EU consists of around 2 million enterprises – 10% of all European Union (EU) businesses, employing 11 million people – 6% of the working population.
- 2.3 Social enterprises operate across most sectors within the EU including banking, insurance, agriculture, craft, various commercial services, and health and social services. Most are small and medium sized enterprises (SMEs).
- 2.4 The Annual Survey of Small Businesses in the UK in 2007 estimated there were around 62,000 social enterprises with a combined turnover of £24 billion, employing some 800,000 people. A further report, 'The State of Social Enterprise Survey' (November 2009) found that "since the economic downturn began, 56% have increased their turnover from the previous year whilst less than 20% have seen it go down. This is a considerably better performance than SMEs in the UK, where only 28% increased their turnover and 43% saw it go down."
- 2.5 This 2009 survey also reported that social enterprises offered greater opportunities for women to advance in comparison to many other businesses; "26% of social enterprises could be described as 'women-led' - almost twice as many compared to small businesses (at 14%). Furthermore, 41.1% of all board members are women, compared to just 11.7% of board members in FTSE 100 companies.
- 2.6 A report published by the London Business School on social entrepreneurship (2006) suggests that the highest level of social entrepreneurial activity is amongst the youngest age group, aged 18-24, with 4.4% of the population in that age group estimated to be involved with starting up or running a social venture.
- 2.7 According to a survey carried out in 2005 by Roger Tym & Partners for RISE, a regional network for social enterprises, there are over 5,500 social enterprises in the South West. The survey concluded that amongst several outcomes, social enterprises increased productivity and competitiveness, supported social inclusion and benefited neighbourhood regeneration in deprived areas. The report also recommended that "the region needs to build on existing structures, to enhance support for social entrepreneurs."
- 2.8 As is the case nationally, local social enterprises can play an important role in an area's economy: -

- helping to diversify its employer base and thus strengthening the economy
 - reaching out to deprived communities with services and support
 - providing a source of employment and/or opportunities for voluntary work for people that may be a long way from being job ready
- 2.9 By way of example, a social enterprise called Sunlight Development Trust, Kent was established in 2003 and has created since then 30 new jobs, including the establishment of a number of complementary 'sister' social enterprises that provide training, job creation, voluntary work and support for others to create social enterprises through:
- catering and community cafes
 - digital recording studios
 - parent training courses
 - new media, marketing and design
 - training, workshops, and consultancy.
- 2.10 Local examples include, Exeter Community Initiatives (ECI). ECI is a well known social enterprise that employs around 15 people, some of which run a range of community based projects, services and facilities within Exeter, including opportunities for volunteers to assist in delivery of activity. In East Devon, COSMIC is a website design, consultancy and IT training social enterprise that offers a range of high quality I.T. services to clients and organisations across the South West and the whole of the UK. Currently they employ around 10 people.
- 2.11 In terms of support for small business, in June 2008, the City Council created Exeter Business Support (EBS) with Business Link, the University of Exeter, and Peninsula Innovations (which manages the Innovation Centre). In 2009, Exeter College's Business School and employer engagement services joined the partnership. EBS assists and supports mainstream commercial businesses to start up, grow, and survive in the city.
- 2.12 However, Exeter does not have in place a coordinated and focussed programme of business advice and support for social enterprise pre-starts, start ups and existing businesses which complements existing provision where possible and plugs the gaps that exist. Whilst there are a number of fledgling social enterprises within Exeter, they also lack a concerted city-wide effort to promote and support this potential integral part of the local economy.

3 SOCIAL ENTERPRISE SUPPORT

- 3.1 EBS provides support to commercial businesses and sole traders in Exeter which addresses one aspect of the local economy. EBS does from time to time provide advice and guidance to city based social enterprises, but is unable to support them with the specialist advice on the legal structures and other characteristics particular to social enterprises.
- 3.2 In terms of social enterprise support, Business Link does provide an extensive range of limited information on line regarding starting up, runs quarterly awareness events for pre-starts and also provides limited one to one sessions for existing social enterprises at given locations and dates. However, there is no generally available support for social enterprises, other than within Plymouth and Torbay. A limited amount of telephone support is available jointly via a contract with Business Link and a social enterprise company located in Plymouth called, Co-active.
- 3.3 In addition and complementing Business Link's activities, Devon County Council has established via Co-active a county wide social enterprise business development voucher scheme, excluding Plymouth and Torbay. A total of £35,000 is available (up to £2,000 per applicant) for the eight District Local Authorities spread across the whole county. Subject to demand, the scheme runs until the end of 2010. Applicants must be existing Devon-based

social enterprises that are already trading and the maximum amount of funding is 50% of costs.

- 3.4 Within the city, organisations signpost those needing social enterprise support to the Community Enterprise Unit (CEU). Established 11 years ago, CEU is an independent social enterprise providing advice, guidance, and training to social entrepreneurs.
- 3.5 However, the CEU does not have separate financial resources that enable it to provide free advice and guidance, extended support, and workshops to new or existing social enterprises focusing on Exeter, unlike the provision delivered through EBS. Social enterprises have differing needs from commercial mainstream business needs, particularly in the areas of legal structures and governance, accessing finance and achieving sustainability.

4 PROPOSAL

4.1 In looking to bridge the gap in support for developing social enterprises in Exeter, Officers have discussed initiatives with the CEU. This has resulted in the following outline proposal to commission CEU for a trial 12 months basis to boost the development and growth of social enterprises in the city. This would complement and integrate with existing EBS activities as follows.

- Pre-start social enterprises
 - individuals interested in exploring the idea of establishing a social enterprise will attend an EBS pre-start workshop, which will have a specialist element provided by the CEU on social enterprise business models.
 - for those interested in pursuing the social enterprise model, the offer will be two fold; they can either attend a quarterly 'Developing a Social Enterprise' introductory workshop and/or be provided with bespoke support to develop their business model idea further prior to follow on one-to-one support
 - when required one-to-one support will be provided with follow up sessions to those committed to developing their social enterprise and needing specific support. Clients will have progress review meetings against an agreed action plan.
- Start-up social enterprises (up to 12 months trading)
 - support will be available via quarterly review meetings for start-ups and will include a target to increase their turnover by 10%.
 - clients will be offered participation in a half-day social enterprise training course which will be synchronised with Business Link workshops.
- Existing Social Enterprises
 - there is support offered via Business Link through Co-active for Social Enterprise Clinics, some of which are delivered in Exeter. The clinics are only for established social enterprises or community organisations.
 - one-to-one support will be provided in similar a way to the provision of EBS, but tailored to the need of social enterprises.

Sector Specific Support

4.2 Important to the diversification and strengthening of Exeter's economy is provision to support the development of forecast growth sectors. Creative industries and the care

sector can often have a social enterprise bias and in this context, it is proposed that all levels of support outlined above will also be made available to support these sectors.

Promotion

- 4.3 Promotion and marketing will complement the existing EBS brand, which through the partnership is seeking to promote the joint provision of an Exeter enterprise and business development programme. A quarterly feature on social enterprises in Exeter will be run through the local press and, marketing will also be through the CEU's database, EBS, Business Link and via such organisations as Exeter CVS and ECI. In order to extend the level of awareness of social enterprise as a real and potential option across different groups within Exeter, it is also proposed to run a 1 day course for up to 12 community workers who in their day to day activities could act as 'Ambassadors'.

Outputs

- 4.4 The following minimum outputs/outcomes are anticipated in 12 months:
- support and advice provided to 10 new start-up social enterprises; a minimum of one paid employee per start-up will also be secured
 - support and advice provided to 10 existing social enterprises and increase their turnover by a minimum of 10%; based on an average turnover of £60,000 per social enterprise; jobs maintained or created will be monitored
 - a network of community workers established to encourage social enterprise in the more disadvantaged parts of the city
 - an evaluation report by CEU for the City Council on the social and economic return of this initiative.

5 FINANCIAL IMPLICATIONS

- 5.1 The cost to the City Council of funding the proposed enhanced level of support from the CEU to promote the development of social enterprise is £25,000, which can be met from the Economy and Tourism Budget 2009/2010.
- 5.2 CEU will commit to secure an additional £10,000 from other sources to further resource their dedicated support for social enterprise in the city.

6 RECOMMENDED that:

- 6.1 Members note the report.
- 6.2 Members support the release of £25,000 from the 2009/2010 Economy and Tourism Budget to fund a new initiative to promote and support social enterprises in Exeter.

RICHARD BALL
HEAD OF ECONOMY AND TOURISM

ECONOMY AND DEVELOPMENT DIRECTORATE

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

Background papers:

None

EXETER CITY COUNCIL
SCRUTINY COMMITTEE - ECONOMY
11 MARCH 2010

ECONOMY SCRUTINY STEWARDSHIP TO DECEMBER 2009

1. PURPOSE OF REPORT

1.1 This report advises Members of any forecast variations to the budget, based on the first nine months of the financial year 2009/10.

2. INFORMATION

2.1 This report highlights any differences by management unit to the outturn forecast for the first six months of the financial year up to 30 December 2009 compared with the approved annual budget. During this period the total of the variances indicate that the overall net expenditure for this committee will increase by £66,540 which represents a variation of 5.33% from the revised budget of £1,247,700. This includes supplementary budgets of £125,930. Notional charges in respect of FRS17 Pension Costs and Capital charges have been deducted from this to provide the total budget for management accounting purposes.

2.2 The budgets for 2009/10 included a provision of 1.5% for the pay award. The pay award has been agreed at 1% and there will therefore be a saving on pay budgets. This saving has been reflected within the individual management units.

2.3 The main variations by management unit are detailed below:

	£
2009-2010 REVISED ESTIMATE Less NOTIONAL CHARGES	976,280
83A1 PROPERTY & ESTATES SERVICES	(91,390)
<p>Rental income is higher than expected at several properties due to the completion of various lease renewals and geared rent increases; the additional rental income has been offset by reduced income from rents at various other properties.</p> <p>An element of the additional income from the properties relates to a non recurring equity rent sum from due in respect of the Guildhall Shopping Centre.</p> <p>Projected income at St George's Retail Units is lower than budgeted due to a vacant unit.</p> <p>A revenue contribution to capital in respect of restrictive covenants will be made at year end.</p>	
83A2 TRANSPORT/CONCESSIONARY FARES	(6,140)
<p>There will be a small saving on the Green Travel Plan budget.</p>	

83A3	CAR PARKING	194,470
	<p>Income from off street car park fees is currently below the budgeted income figure as at 30 December 2009. If income trends follow historic patterns, this will result in a shortfall in the region of £150,000.</p> <p>The rental income from car park investment properties is expected to be less than budgeted.</p> <p>The budget in respect of National Non Domestic rates on will be exceeded; expenditure incurred in respect of reactive repairs to car parks has resulted in an overspend.</p> <p>Costs in relation to the printing of car parking tickets will exceed the budget. This overspend has been partly offset by a saving on employment costs due to vacancies.</p> <p>A surplus is expected on the Residents Parking Budget. The current agreement with Devon CC is that any surplus or deficit will be passed over to or funded by DCC and that the cost of the Customer Service Centre remains with ECC.</p>	
83A4	ECONOMIC DEVELOPMENT	80,600
	<p>Additional expenditure has been incurred in respect of Christmas Marketing in the city, the Trinity Project and various other projects as agreed in the Response to the Recession report approved by Scrutiny Economy Committee in June 2009.</p> <p>This additional expenditure will be funded from an earmarked reserve as per the approved report.</p> <p>A saving will be made on the staffing costs within the City Centre Management budget due to a vacant post; the saving will partially offset the cost of the Agency staff employed to cover the post.</p>	
83A5	FESTIVALS & EVENTS	(3,240)
	<p>Savings have been made on the Summer Festival and on National Insurance and Superannuation budgets.</p>	
83A6	TOURIST INFORMATION	4,000
	<p>Income in the management unit is not expected to meet the budgeted amounts.</p> <p>Additional expenditure has been incurred in respect of Tourism marketing which is shown in 83A4 above. This expenditure relates to boosting the City's profile for wider business purposes and for conferences and tourism. This additional expenditure was approved as part of the Response to Recession report approved in June 2009.</p>	

83A8	DISTRICT HIGHWAYS & FOOTPATHS Sub-contracted work and the time charged by the Engineering & Construction team in respect of the maintenance of ECC owned footpaths are expected to exceed the budget.	11,500
83A9	BUILDING CONTROL Building Control Fee income is not expected to meet the budgeted figure. An element of this shortfall will be funded from the Building Control Fee income earmarked reserve and the remainder will be addressed by cost savings.	50,790
83B2	ADMINISTRATION SERVICE Employment costs are expected to be less than the budget with savings anticipated on salaries and superannuation.	(6,720)
83B3	DIRECTOR ECONOMY & DEVELOPMENT Employment costs are expected to be less than the budget due to a vacancy for part of the year. There will be a saving on National Insurance and Superannuation as a result of the vacancy.	(7,840)
83B4	ENGINEERING & CONSTRUCTION Income budgets within the management unit are expected to fall short of the annual budget, mainly due to the expected loss of work in respect of the Pell Frischmann contract. This shortfall has been offset by a saving on superannuation, consultants fees and various equipment budgets	22,870
83B5	PLANNING A saving will be made on employment budgets due to a number of vacancies within the management unit. It is anticipated that planning fee income will be below budgeted levels by the end of the year due to the general downturn in the economy. The budget in respect of office equipment and public notices will be exceeded. A significant part of the planning expenditure is funded by Planning Delivery Grant. The surplus grant from 2009/10 will be transferred to an earmarked reserve at the year end.	(377,180)
83B7	ARCHAEOLOGICAL FIELD UNIT The overall income levels for the Field Unit are projected to be down for the year. This is due to the increasingly competitive nature of the service market and the reduced volume of activity. Costs in respect of redundancy have also been incurred.	281,180

83B9	MARKETS & HALLS	(86,360)
	Income at the Matford Centre is expected to exceed the budget due to an increase in livestock sales.	
	Sunday Markets and Car boot sales income is expected to be higher than the budget figure.	
	Exeter Corn Exchange income is also higher than budgeted due to increased lettings and event ticket sales.	
	A saving is expected in respect of superannuation.	
	2009-2010 EXPECTED FINAL OUTTURN	1,042,820
	EXPECTED TRANSFERS TO / FROM RESERVES	(19,340)
	REVENUE CONTRIBUTIONS TO CAPITAL	31,000
	EXPECTED TOTAL NET EXPENDITURE	1,054,480

3. **RECOMMENDED** that Members note the contents of this report.

HEAD OF TREASURY SERVICES

CORPORATE SERVICES DIRECTORATE

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

Background papers used in compiling this report:

1. None

**SCRUTINY COMMITTEE - ECONOMY
STEWARDSHIP**

APRIL 2009 TO DECEMBER 2009

ANNUAL BUDGET	SUPPLEMENTARY BUDGET	NOTIONAL CHARGES***	REVISED BUDGET	CODE		CURRENT OUTTURN FORECAST	FORECAST VARIANCE
£	£		£			£	£
(2,637,640)	47,000	(26,690)	(2,563,950)	83A1	PROPERTY & ESTATES SERVICES	(2,655,340)	(91,390)
2,944,960	0		2,944,960	83A2	TRANSPORTATION/CONCESSIONARY FARES	2,938,820	(6,140)
(3,143,030)	10,900	86,240	(3,218,370)	83A3	CAR PARKING	(3,023,900)	194,470
852,000	0	49,640	802,360	83A4	ECONOMIC DEVELOPMENT	882,960	80,600
284,530	0	(7,190)	291,720	83A5	FESTIVALS & EVENTS	288,480	(3,240)
549,180	0	(8,700)	557,880	83A6	TOURIST INFORMATION	561,880	4,000
26,000	0		26,000	83A7	ARCHAEOLOGY IN EXETER	26,000	0
546,310	4,500	297,180	253,630	83A8	DISTRICT HIGHWAYS & FOOTPATHS	265,130	11,500
52,380	0	(14,350)	66,730	83A9	BUILDING CONTROL	117,520	50,790
137,190	0	6,070	131,120	83B1	LAND DRAINAGE	131,120	0
0		(6,910)	6,910	83B2	ADMINISTRATION SERVICE	190	(6,720)
0		(9,250)	9,250	83B3	DIRECTOR ECONOMY & DEVELOPMENT	1,410	(7,840)
0	0	(19,990)	19,990	83B4	ENGINEERING & CONSTRUCTION SERVICES	42,860	22,870
1,298,040	0	(63,730)	1,361,770	83B5	PLANNING SERVICES	984,590	(377,180)
70,560	37,770	8,120	100,210	83B6	CONSERVATION	100,210	0
0	0	(22,680)	22,680	83B7	ARCHAEOLOGICAL FIELD UNIT	303,860	281,180
0	0		0	83B8	MAJOR PROJECTS	0	0
141,290	25,760	3,660	163,390	83B9	MARKETS & HALLS	77,030	(86,360)
0							
<u>1,121,770</u>	<u>125,930</u>	<u>271,420</u>	<u>976,280</u>		NET EXPENDITURE	<u>1,042,820</u>	<u>66,540</u>

*** Includes:

Capital Charges
FRS17 Pension Costs

83A2
83B1
83A6

Transfers from Earmarked Reserves

Contribution to TravelSmart (5,000)
Building Control (21,420)
LABGI (125,000)

Transfers to Earmarked Reserves

83B5 Planning Delivery Grant 132,080

Revenue Contribution to Capital

83A1 Property & Estates Services (Restricted Covenants) 31,000

OVERALL FORECAST EXPENDITURE FOR THE YEAR AFTER MOVEMENTS TO/FROM RESERVES 1,054,480

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EXETER CITY COUNCIL

SCRUTINY COMMITTEE – ECONOMY 11 MARCH 2010

EXECUTIVE
23 MARCH 2010

PARKING ENFORCEMENT AT THE ROYAL DEVON AND EXETER HOSPITAL

1.0 PURPOSE OF REPORT

- 1.1 This is to advise Members of a number of issues regarding the enforcement of parking restrictions at the Royal Devon and Exeter hospital.

2.0 INFORMATION

- 2.1 Since January 1995 the City Council has provided an enforcement service on behalf of the Royal Devon and Exeter hospital for a range of car parks around the hospital campus. The powers under which enforcement was undertaken arise from the Road Traffic Regulation Act 1984 and the specific enforcement regime was approved by Members in the City of Exeter Parking Places Order 1994. As Members are aware, from May 2008 all on and off street parking enforcement, other than at the Royal Devon and Exeter hospital, has been provided under the powers of the Traffic Management Act 2004. During preparations for the introduction of civil enforcement in the previous year, the City and County Councils considered whether the Royal Devon and Exeter hospital enforcement should be pursued under different powers, but the advice received from the Department for Transport was that the Traffic Management Act was not the appropriate framework as the hospital was considered to be private land and so we have continued to use the Road Traffic Regulation Act powers.
- 2.2 In October 2009, the City Council was in receipt of a comprehensive challenge to the use of these powers submitted by Mr Neil Herron of Parking Appeals Limited, who argued that the use of the Road Traffic Regulation Act powers was ultra vires and sought the Council's response on a range of issues relating to that. The Council has taken external legal advice and concluded that the use of the Road Traffic Regulation Act powers were no longer lawful after the new Civil Enforcement regime was brought in after May 2008. During the last three months we have been in discussion with the Royal Devon and Exeter hospital and have agreed two key changes. The first, is that the City Council cease to provide the enforcement contract from 31 May, given that this non standard enforcement regime requires a disproportionate amount of staff time to oversee it. Second, to facilitate the Royal Devon and Exeter hospital making alternative arrangements, the Council has agreed to provide a service in the interim until that date, using its trading powers.
- 2.3 The City Council is publicising the fact that Standard Charges which had been imposed between May 2008 and October 2009 (when the issuing of Standard Charges was suspended as a precautionary measure in order to limit any further financial risk) will be reimbursed on production of satisfactory evidence that those Standard Charges have been paid. The total cost of this reimbursement cannot

be accurately estimated, but could be up to £35,000.

2.4 The situation is very regrettable but arose from a situation where we were advised by the Department for Transport that the Royal Devon and Exeter hospital car parks would not be included in the proposed Civil Enforcement Area. An initial legal review of the issues suggested that continued use of the Road Traffic Regulation Act would, on balance, be appropriate but further legal advice has now confirmed that this was not the case.

2.5 New enforcement arrangements are now in place and The City of Exeter Parking Places Order 1994 must now be revoked. This is a formal process which requires a consultation period with interested parties before it can take effect. Members are therefore requested to approve revocation of the Order and authorise the necessary process.

3.0 FINANCIAL IMPLICATIONS

3.1 The likely cost of this error is in the region of £35,000 and will need to be met from the Council's Reserves.

4.0 RECOMMENDATIONS

- (i) It is recommended that Members note the contents of this report.
- (ii) It is further recommended that Executive approve the revocation of The City of Exeter Hospital Parking Places Order 1994 and the process necessary to achieve this.

JOHN RIGBY
DIRECTOR ECONOMY AND DEVELOPMENT

ECONOMY & DEVELOPMENT DIRECTORATE

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

Background papers used in compiling this report:-

None

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

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