

EXECUTIVE

Tuesday 4 October 2011

Present:-

Councillor Edwards (Chair)
Councillors Denham, Fullam, R M Hannaford, Martin, Mrs Morrish, Sheldon and Sutton
Chief Executive, Director Corporate Services, Director Economy and Development,
Assistant Chief Executive, Head of Treasury Services and Member Services Manager

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GRANTS COMMITTEE

The minutes of Grants Committee held on 15 September 2011 were circulated.

RESOLVED that the minutes of the meeting of the Grants Committee held on 15 September 2011 be received and, where appropriate, adopted.

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DECLARATIONS OF INTEREST

Councillors declared the following personal interests:-

COUNCILLOR	MINUTES
Denham	105 (Employee of South West Councils)
R Hannaford	92 (Vice-Chair and Trustee of Exwick Community Association)

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CAPITAL MONITORING STATEMENT TO 30 JUNE 2011

Councillor R Hannaford declared a personal interest as Vice-Chair and Trustee of Exwick Community Association.

The report of the Head of Treasury Services was submitted, reporting on the current position in respect of the Council's revised annual capital programme and advising Members of the anticipated level of deferred expenditure into future years.

He reported that the Council had spent £2.489 million on the programme during the first three months of the year, which equates to 10.9% of the revised programme, a very similar percentage to the equivalent period in the previous year. He identified the main variances and achievements in the programme.

Scrutiny Committee – Resources considered the report at their meeting of 21 September 2011 and their comments were noted.

RECOMMENDED that Council approves the current position in respect of the annual capital programme.

(Report circulated)

OVERVIEW OF GENERAL FUND REVENUE BUDGET 2011/12

The report of the Head of Treasury Services was submitted, advising Members of the overall projected financial position of the General Fund Revenue Budget after three months, for the 2011/12 financial year.

He reported that the Service Committee budgets showed a forecast overspend of £503,990 (3.0%) against a revised Service Committee Net Expenditure budget of £13,003,520 and an overall overspend of £389,165 against General Fund expenditure. He identified the main variances in service Committee budgets, details of which were disclosed in stewardship reports to the Committees.

Members were pleased to note the improvement in creditors' payment performance and a decrease in sundry debt over 30 days old. In response to a request from a member, the Head of Treasury Services reported that the write-off of debts was included within the annual budget reports but could also be included in future Overview reports. The Chair commented that whilst the £389,165 awarded to the Council in the form of New Homes Bonus was not ring-fenced, the Council would need to be cautious in spending it as it was uncertain for how long the Bonus would be paid.

Scrutiny Committee – Resources considered the report at their meeting of 21 September 2011 and their comments were noted.

RECOMMENDED that Council notes and approves:

- (1) the General Fund forecast financial position for the 2011/12 financial year;
- (2) the HRA forecast financial position for the 2011/12 financial year;
- (3) the outstanding Sundry Debt position as at June 2011; and
- (4) the creditors' payment performance.

(Report circulated)

GOVERNMENT CONSULTATION ON PROPOSALS FOR BUSINESS RATES RETENTION

The report of the Head of Treasury Services was submitted, setting out the Government's consultation proposals for Business Rates Retention as part of the Local Government Resource Review and highlighting the key issues to be considered.

The Head of Treasury Services reported that, under existing arrangements non-domestic rates (or business rates) revenue collected by local authorities is pooled for redistribution as part of the local government finance settlement. The Government had published for consultation proposals to allow councils to retain their locally-raised business rates as part of its wider Local Government Resource Review. He commented on the complex nature of the proposals set out in eight technical papers. Whilst the Government's desired outcome to incentivise local economic development was clear and to be welcomed, the range and complexity of variable interactions would influence outcomes in a way which was challenging to predict.

Councillor Taghdissian attended the meeting and spoke on this item under Standing Order 44.

Members welcomed the proposal in principle, noting the Council's excellent track record in economic development and the potential to benefit from the retention of a share of the business rates. They were mindful of the complexities of the proposals and supported the proposal to commission some external support work with other local authorities. They particularly welcomed the opportunity for collaborative cross-boundary working as a means of stimulating growth.

RESOLVED that:-

- (1) the Council seeks to commission some jointly funded external support work and submits a response to the consultation before the due date;
- (2) the Government is informed that the Council does not support the approach of using a fixed national percentage for determining either the baseline or future growth; and
- (3) any proposed new scheme based upon retention of business rates has sufficient incentive to reward funding based upon growth in local areas.

(Report circulated)

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LOCALISING COUNCIL TAX BENEFIT - IMPLICATIONS

The report of the Head of Treasury Services was submitted, updating Members on the Government's proposal to replace Council Tax Benefit with a local scheme and the implications that this has for the Council.

The Director Corporate Services reported that Council Tax Benefit is currently funded by the Government but it is planning to devolve it to Local Authority level from April 2013 onwards and reduce expenditure by 10%. The consultation stated that pensioners would not be affected and that other vulnerable groups might also receive protection although it did not specify which groups. This was a particular area of concern for the Council. Since pensioners accounted for 46% of claimants in Exeter and an additional 2979 people fell into the category of "passport" groups, which could also be protected, the actual level of cuts to be borne by other groups would be much greater than 10%. The Director drew attention to the challenging timetable set by the Government, particularly since the lack of detail currently available made it impossible to start preparatory work on the new arrangements. A Devon-wide meeting had already taken place and it was hoped there would be further joint working on the proposals.

Members expressed concern about the impact of the proposals on vulnerable individuals who did not fall into the protected groups. They were very concerned about the unrealistic timetable set by the Government, particularly in relation to the implementation of the necessary IT software and the implications for staff resources. Whilst supporting the principles of Universal Credit, members were concerned about the unintended consequences of these proposals.

Other members commented on the possible impact of the proposals on the housing market if people were forced to move to lower Council Tax banded properties, an issue which did not appear to have been addressed in the consultation paper.

Councillor Taghdissian attended the meeting and spoke on this item under Standing Order 44 seeking clarification on the liability of students for Council tax. In response to his query, the Head of Treasury Services informed members that students were currently exempt from paying and had not specifically been mentioned in the proposals.

RESOLVED that the Government be informed that:

- (1) the current timescale is unrealistic given the lack of specific information required to design a scheme and the software necessary to administer it, which means there is a high risk of failure which has to be addressed urgently;
- (2) by exempting such a large proportion of current claimants and preventing other elements of Council Tax being open to change, such as the single occupier discount, the reductions in benefit to be applied to working age claimants will be disproportionately severe.

(Report circulated)

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REVIEW OF POLLING DISTRICTS AND POLLING PLACES WITHIN THE EXETER PARLIAMENTARY CONSTITUENCY

The report of the Chief Executive was submitted, setting out proposals for new polling districts and polling places recommended as a result of the Council's responsibilities under the Electoral Administration Act 2006. The Council was required to undertake such a review every four years. He drew attention to the comments raised by members at Scrutiny Committee – Resources at their meeting on 21 September 2011.

Councillor Hobden attended the meeting and spoke on this item under Standing Order 44. She expressed particular concern, shared by the Head Teacher, school governors and some parents, about the use of Stoke Hill Infant School as a polling station. She commended the use of Toronto House or St James Church Centre as suitable alternative venues.

Councillor R Hannaford reiterated his concerns about the use of Montgomery Primary School and suggested the Evangelical Church in Buller Road as a suitable and accessible alternative.

The Chief Executive responded that whilst the use of schools was avoided, if possible, in cases where it caused undue disruption, in some locations there were no suitable alternative venues. He reminded members that Toronto House had previously been used as a polling station but this had ceased in response to members' concerns about accessibility. Whilst the Returning Officer had ultimate responsibility for the location of polling stations, he assured members that all relevant views and issues would be taken into account.

RECOMMENDED that Council approves:-

- (1) the adoption of the proposals set out in paragraphs 3.1.1 and 3.1.2 of the report for implementation as part of a revised register of electors to be published on 1 December 2011;

- (2) the formal publication of its final report on the Review of Parliamentary Polling Districts and Places within the Exeter Constituency on 18 October 2011, as required by the Electoral Administration Act 2006; and
- (3) the completion of a further review by 18 October 2015, as required by the Electoral Administration Act 2006 or as otherwise required under any subsequent legislation.

(Report circulated)

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GOVERNMENT CONSULTATION ON THE INTRODUCTION OF INDIVIDUAL ELECTORAL REGISTRATION

The report of the Chief Executive was submitted, setting out the Government's consultation proposals on the introduction of individual electoral registration (IER) and the issues they raise. Scrutiny Committee – Resources considered the report at their meeting of 21 September 2011 and the comments of members were noted.

Councillor Hobden attended the meeting and spoke on this item under Standing Order 44. She informed members that the Electoral Commission was broadly in favour of IER and that a survey had indicated that only 56% of the population were satisfied with the current electoral registration arrangements. She believed that the current system was antiquated and one of the few systems in existence not based on individual responsibility. She considered that the practical difficulties identified were surmountable and urged that the Council should more strongly welcome the proposals for Individual Electoral Registration.

The majority of members commented that they were not against the principle of IER but were greatly concerned that the current proposals did not make registration compulsory. They felt this would lead to a significant diminution in democratic participation and devalued the historical efforts made to secure the right to vote. They felt that the proposals as they currently stood could lead to the disenfranchisement of large groups of society particularly those who were already disengaged with the democratic process or who might choose not to register for personal reasons. They were also aware that IER had not met with great success in Northern Ireland.

Another member hoped that IER might encourage people to take an interest in the democratic process but acknowledged the danger that they may lose the opportunity to vote if they failed to register.

Councillor Taghdissian attended the meeting and spoke on this item under Standing Order 44. He felt that the majority of people were capable of deciding whether they wished to vote and the presumption that many people would not do so was unfounded. Another member commented that since penalties for non-registration were rarely or never enforced currently, the removal of the compulsory element to do so was unlikely to have any significant impact.

RESOLVED that the Chief Executive submits a response along the lines suggested in paragraph 3.2 of the report.

(Report circulated)

CONSULTATION ON NATIONAL PLANNING POLICY FRAMEWORK

The report of the Head of Planning and Building Control was submitted, providing Members with an overview of the draft National Planning Policy Framework (NPPF). The report also sought a response from Members to the general principles underlying the document so as to enable officers to prepare a detailed response to the consultation by 17 October.

The Director Economy and Development reported that the aim of the National Planning Policy Framework was to replace the present national planning guidance contained in twenty-five Planning Policy Statements, Guidance Notes and Circulars with one all encompassing single document. Whilst a number of national institutions such as the National Trust, other organisations and individuals had expressed grave concerns about the impact of the proposals in relation to the threat to the green belt, he believed that the intention was to preserve fundamental principles. He felt that the adoption of the Core Strategy would go a long way towards protecting Exeter's position enabling Exeter to adopt a plan-led approach to sustainable development.

One of the areas of greatest concern for Exeter was the imposition by the NPPF on local authorities to show a 5 year housing supply plus 20% additional capacity. This was particularly challenging for urban areas such as Exeter where all suitable land was allocated for development and the problem centred on delivery by developers who were not building properties due to lack of demand.

Members endorsed concerns about the requirement for a 5 year housing supply plus 20%, the risk of the Council being challenged on appeal and the vulnerability of green spaces. They acknowledged that the likely removal of the regional planning system would place greater emphasis on adjoining local authorities working together to solve sub-regional planning problems.

Whilst welcoming the principle of Neighbourhood Planning, members were concerned that those areas with a less developed community infrastructure and fewer resources should have an equal opportunity to participate. Members were interested to see the outcome of the pilot exercise in St James which had been awarded "front runner" status and funding from DCLG.

Councillor Taghdissian attended the meeting and spoke on this item under Standing Order 44. He endorsed concerns regarding the shortage of spare land in the city and the vulnerability of green space. He felt that consultation with residents was a key factor in delivering successful development in the city.

Members requested the Director Economy and Development to convey the reservations and endorsements they had expressed, together with those of Planning Member Working Group, in the response to the consultation exercise.

RESOLVED that a response be sent to DCLG based upon the report and the concerns expressed by Executive and the Planning Member Working Group.

(Report circulated)

WAVELENGTH 23 - SURVEY RESULTS

The report of the Assistant Chief Executive was submitted, presenting the main findings of the Wavelength 23 Survey.

In response to questions regarding the make-up of the Panel, the Assistant Chief Executive reported that the Panel was representative of the city in terms of gender and ward population but under-represented in the younger age-groups and over-represented among the older groups. It did not target socio-economic background.

Members welcomed the high return rate from the Panel. They were pleased to note the constructive and thoughtful comments made by Panel members regarding the Complaints leaflet and that 93% of respondents found it clear and easy to understand. They also noted that Exeter Citizen is still the favourite way for people to get information about the Council.

RESOLVED that the findings of Wavelength 23 be noted.

(Report circulated)

100 **THE COUNCIL'S POLICY ON INDEMNITIES FOR REPRESENTATIVES ON
OUTSIDE BODIES**

The report of the Head of Legal Services was submitted, reviewing the Council's policy in relation to the indemnity of members serving as representatives on outside bodies and proposing new guidance on the matter.

The issue of appointing members and officers to represent the Council on outside bodies, and of the indemnities that the Council could give to them for that purpose, was last considered by the then Policy Committee in April 1998. At that time there was concern, arising from recent High Court cases, about the extent to which the Council could effectually provide indemnity if members or officers incurred liabilities whilst acting on outside bodies. The position had been clarified by the Local Authorities (Indemnities for Members and Officers) Order 2004, ensuring that the giving of indemnities had a clear legal basis.

RESOLVED that:-

- (1) indemnity be given to officers and members who represent the Council on outside bodies in the terms set out in the report; and
- (2) the guidance for members set out in Appendix A of the report be adopted.

(Report circulated)

101 **APPOINTMENT OF REPRESENTATIVES TO SERVE ON OUTSIDE BODIES**

RESOLVED that Councillor Margaret Clark be appointed to replace Councillor Adrian Hannaford as trustee for Age UK.

102 **CHANGE IN COMMITTEE MEMBERSHIP**

RECOMMENDED that Council approve the following changes in Committee membership:-

- (1) Councillor Adrian Hannaford to replace Councillor Paul Bull on Scrutiny Committee – Community
- (2) Councillor Paul Bull to replace Councillor Adrian Hannaford on Scrutiny Committee - Economy

103 **LOCAL GOVERNMENT (ACCESS TO INFORMATION) ACT 1985 - EXCLUSION OF PRESS AND PUBLIC**

RESOLVED that, under Section 100A (4) of the Local Government Act 1972, the press and public be excluded from the meeting during consideration of the following items on the grounds that they involved the likely disclosure of exempt information as defined in paragraphs 1 and 2 of Part 1 of Schedule 12A of the Act.

104 **LIVESTOCK CENTRE - STAFFING**

The report of the Acting Head of Estates was submitted, asking Members to consider the proposals for a staffing review for the Livestock Centre section of Estates.

RESOLVED that the following be approved with effect from April 2012:

- (1) the deletion of post numbers ED04122, ED04123, ED041000, ED041001, ED041002 and ED041003;
- (2) the new structure as outlined in Appendix 2 of the report be implemented in accordance with the Council's Organisational Change Policy and for any displaced employees to be confirmed as redundant;
- (3) where, despite all reasonable efforts, notice of redundancy is confirmed and suitable alternative employment is not found, those employees with two or more years' service will be paid a compensation payment upon employment termination in accordance with the discretion exercised by the Council under the provisions of the Local Government (Early Termination) (Discretionary Compensation) (England and Wales) Regulations 2006; and
- (4) that the Head of Estates Services be authorised to delay the redundancy of one employee for a period of up to three months if this proves to be necessary when the new posts are filled.

(Report circulated to Members)

105 **SENIOR MANAGEMENT RESTRUCTURING**

Councillor Denham declared a personal interest in this item as an employee of South West Councils.

The report of the Chief Executive was submitted setting out proposals for the comprehensive restructuring of senior management arrangements, as the first stage of a wider management and structural review of the authority. He circulated an updated Appendix 3 with minor revisions.

Members endorsed the need for a review and supported the proposed management restructure. They discussed the impact of the systems thinking review being undertaken by Vanguard Consulting and the need to retain flexibility in the structure.

The Chair reported that all political group leaders would be involved in the recruitment process.

Councillor Taghdissian attended the meeting and spoke on this item under Standing Order 44.

RECOMMENDED that:-

- (1) the proposed new senior management structure as described in Section 6 of the report and as shown at revised Appendix 3 be approved;
- (2) the principles of implementation described in Section 8 of the report be approved; and
- (3) delegated authority be granted to the Chief Executive, in consultation with the Leader of the Council, the Leader of the Conservative Group and the Leader of the Liberal Democrat Group, to determine all outstanding detailed matters necessary to achieve the timely and effective implementation of these proposals.

(Report circulated to members)

(The meeting commenced at 5.30 pm and closed at 8.35 pm)

Chair

The decisions indicated will normally come into force 5 working days after publication of the Statement of Decisions unless called in by a Scrutiny Committee. Where the matter in question is urgent, the decision will come into force immediately. Decisions regarding the policy framework or corporate objectives or otherwise outside the remit of the Executive will be considered by Council on 18 October 2011.