

SCRUTINY COMMITTEE - ECONOMY

20 January 2011

Present:

Councillor Stella Brock (Chair)

Councillors Mrs Danks, M A Baldwin, P J Brock, A Hannaford, Payne, Prowse, Robson, Spackman, Sterry, Taghdissian, Ruffle and Wardle

Interim Director Economy and Development, Head of Economy and Tourism, Head of Planning and Building Control, Head of Exeter Archaeology, Acting Head of Estates Services, Accountant (PM) and Member Services Officer (SLS)

Also present:

Councillor Greg Sheldon - Portfolio for Economy and Tourism
Councillor Rachel Sutton - Portfolio Holder for Sustainable Development and Transport
James Christon - Managing Director, Exeter Airport

1 **Minutes**

The minutes of the meeting held on 11 November 2010 were taken as read, and signed by the Chair as correct.

2 **Declarations of Interest**

The following personal interest was declared:-

| COUNCILLOR | MINUTE |
|-------------------|---|
| Councillor Wardle | 7 (Member of the Devon Archeological Society) |

3 **Questions from Members of the Council under Standing Order 20**

In accordance with Standing Order 20 the following questions were asked of the Portfolio Holder for Economy and Tourism :-

Councillor Ruffle referred to the withdrawal of the contribution to the Vibraphonic Festival and removal of the funding for the Autumn Festival from the Revenue Budget savings identified for 2011/12. The Portfolio Holder responded, commenting on the difficult decisions that had been made to identify savings. He acknowledged the Member's concern, stating that the funding for each festival had been considered on a case by case basis and the ideal would be not to remove any funding.

Councillor Payne sought reassurance that every effort would be made to update the Tourism Strategy and what impact the more modest budget will have on the revision. The Portfolio Holder stated that the Strategy would be updated when the budget reducing process had been completed. The challenge remained to ensure the service ran as smoothly but in a different way.

Councillor Payne also asked a question on the effect the removal of City Council funding will have on clients using the Positive Steps initiative. The Portfolio Holder stated that the decision had been taken due to the modest achievement in relation to

the harder-to-reach client group. Every effort would be made to look at helping in kind rather than cash.

MATTERS FOR CONSIDERATION BY SCRUTINY COMMITTEE - ECONOMY

4 Consultation and the Planning Process

The Head of Planning and Building Control presented a report which gave Members an overview of the nature and type of public consultation required whilst undertaking the planning process and an assessment of how the City Council conforms to such requirements. He confirmed that they were now not able to discuss the recent consultation in relation to a proposed gypsy and traveller site in the Newcourt masterplan as they had just received legal advice that Members and Officers should not discuss this in view of a possible court action.

The Head of Planning and Building Control outlined the factors governing consultation within the planning process, against the backdrop of the public's desire to be involved in more active consultation. Exeter City Council's Planning Department does more than the minimum requirement, but it was recognised that wider consultation could be undertaken, however that would have timescale and resource implications.

A Member referred to the Statement of Community Involvement and if Planning contacted or worked with community groups or community association networks. The Head of Planning and Building Control stated that the teams had all the details of regular consultees and that included formally constituted community and residents' associations. He also responded to a Member enquiry about using the network of officers from the My Neighbourhood Scheme which was in the process of concluding, but the Planning Department anticipated continuing to use the local networks developed during that period. He confirmed that the City Council would respond to the Localism Bill debate through the Chief Executive and the District Council's Network.

A Member suggested that the views of Scrutiny Committee – Economy on an amended Statement of Community Involvement be sought in addition to the Planning Member Working Group before consideration by Executive.

Scrutiny Committee – Economy acknowledged that the Statement of Community Involvement was in need of revision and that the Localism Bill would have fundamental implications for Local Authorities in consulting communities. As a consequence a revision to the Council's Statement of Community Involvement should be undertaken as soon as practical to address the Localism Bill.

(Report circulated)

5 Presentation - Exeter Airport

A presentation was made by Mr James Christon, Managing Director of Exeter Airport on the continuing economic success of the Airport. He provided an overview of the current economic and environment climate including comparisons of Exeter Airport's performance against other UK airports. He covered the Airport's development, partnership working with the public and private sector and the contribution to the local economy. Particular successes have been the growth in the charter market, new flight routes, Flybe's Training Academy, and the development of a new Hotel and Restaurant on the Airport site.

The short, medium and long term aspirations of the master plan included -

Short Term

Replacement of airport equipment such as the check-in system, passenger screening and fire systems

Pavement and runway overlay in 2012

Looking at the capacity of the Royal Mail operation

Improvement of car parks

Hotel and restaurant build

Medium Term

Replacement of car parks

Development of the B3184

Development of Flybe Engineering

Departure lounge expansion and departure gates

New aircraft stands

Development of fire station and fuel farm

Hotel development relating to the Business Park expansion

Long Term

Continued expansion of Flybe Engineering

Check-in Hall development

Arrivals Hall development and car park configuration

Hotel development relating to the Business Park expansion

He also referred to the natural and manmade activity that affected operations including economic recovery, competitive activity and local regional, national and international events such as adverse weather conditions, political activity, large sporting events and a change in security threat levels.

Mr Christon responded to a number of questions from Members -

- Exeter Airport paid corporation tax in this country.
- The Airport's car park provider was APCOA with an overview from Exeter Airport. Changes have been made to the parking charges but there was still a free 10 minute slot, which was comparable with other airports. A considerable sum has been spent on improvements on the car parking facility including vehicle number plate recognition reducing the need for ticket validation, as well as on-line booking and a frequent shuttle bus service is available as an alternative to the car. He noted an issue raised relating to increased parking charges faced by taxi operators when flights were delayed.
- The Flybe Training Academy had been working in conjunction with Exeter College and the University.
- The Airport had also been working with the County Council to improve the Stagecoach bus link between the Airport and Exeter. There was regular dialogue with an Exeter Airport Transport Forum to encourage public transport use for both staff and passengers. He welcomed any opportunity to develop a partnership approach to create a rail link to the Airport through Cranbrook, although some rail linked airports had a mixed success. There was regular dialogue with the New Growth Point Board and they welcomed any opportunity to engage with the region's rail operators to improve connecting services.
- Should the Intermodal Freight Depot be progressed, he hoped to be able to explore extending freight traffic beyond mail, but this had to be reconciled with

the local community. He would continue to make the Airport, particularly in relation to car journeys, as sustainable as possible.

The Chair thanked Mr Christon for his very informative and interesting presentation.

6 2011/12 Budget Estimates

The report of the Interim Director Economy and Development was submitted, outlining the strategic framework within which the estimates had been prepared, changes in accounting practices, which affect all budgets and detailed reasons for any significant changes in the Management Unit estimates. He set out the changes to the individual budget heads.

He responded to a number of Member comments -

- that the approach being taken by the Local Authority and also the Economy Directorate was to meet an unprecedented budget reduction over four years. Any discussion would include whether the current service approach was right for the future challenges and all efforts will be concentrated on making services even more efficient and fit for purpose.
- The Acting Head of Estates Services clarified the continuation of the arrangements of parking enforcement at Bradninch Place and the Quay.
- There would have been a profound change in the staffing structure had the new Unitary Authority been in place from April.
- He was still working on the finer points, but was available to discuss any implications of the security arrangements and operating hours of some of the city's car parks.

A Member suggested levels of redundancies could result in more unproductive spending, but he welcomed the current approach to filling staff vacancies and the tougher stance on next year's Christmas lights.

A motion that £2,000 be reallocated from the Summer Festival budget to the Vibraphonic Festival to be used to lever funding from other sources was put to the vote and lost.

A subsequent motion that £1,000 be reallocated from the Summer Festival budget and a further £1,000 be taken from the general arts allocation for levering funding to maintain the Vibraphonic Festival was put to the vote and lost.

Scrutiny Committee – Economy noted the draft Revenue Estimates, Capital Programme and proposed Fees and Charges for 2011/12 for further consideration by the Executive.

(Report circulated)

7 Archaeological Research Progress

Councillor Wardle declared a personal interest as a member of the Devon Archaeological Society.

The Head of Exeter Archaeology made a Powerpoint presentation which included examples of projects that had either been publicly or privately funded from a variety of sources. A report advised Members on recent changes within Exeter Archaeology; the progress with archaeology reports and projects funded from the Economy and Tourism budget; and information relating to archaeological projects

carried out in the city for both the City Council and external clients. Members were asked to consider the work that was being undertaken to present Exeter Archaeology to a wider public and academic audience. In particular, the publication of the Elizabethan Inventories and Underground Passages would raise the profile of the heritage of Exeter on a regional, national and, potentially, international stage.

The report also covered the staged staffing restructure, as the core unit had been further reduced to 12 FTE's, with additional temporary staff used on a project by project basis. Staff in the Unit had worked hard to restore some financial stability. The Head of Exeter Archaeology responded to a number of Member comments stating that they hoped to reach a break even position, but the recession and resulting downturn in the housing market and development has meant that competition for work was even keener. He informed Members of the main competitors. The Interim Director Economy and Development praised the work of Tim Gent who had worked hard to get the Unit into a more sound financial position. The Unit was not able to work as flexibly as the private sector in terms of pay and conditions, and to reach a break even position would remain a challenge in the current climate.

The Chair asked that the appreciation of the Scrutiny Economy Members in recognition of the hard work and professionalism of the Head of Archaeology be recorded and the team. Tim Gent thanked the Chair and stated that the successful response to the challenges faced would have been impossible without the significant input of the whole team.

The Scrutiny Committee – Economy noted the report and acknowledged the work being undertaken to present the work of Exeter Archaeology to a public and academic audience, and the sound progress being made by the Unit to establish a financially viable archaeological contractor within a constrained economic environment.

(Report circulated)

8 Energy Partnership with E.ON - Progress Report

The Interim Director Economy and Development provided a progress report on the work of the partnership with E.ON. The first meeting of the Project Review Group was due to be held on 25 January and would involve City Council officers and colleagues from E.ON. Officers were also currently working with E.ON on a potential bid to the Regional Growth Fund to meet an imminent deadline of 21 January.

Scrutiny Committee – Economy noted that progress on the work programme with E.ON will commence in 2011.

(Report circulated)

MATTER FOR CONSIDERATION BY EXECUTIVE

9 LOCAL GOVERNMENT (ACCESS TO INFORMATION) ACT 1985

RESOLVED that, under Section 100A (4) of the Local Government Act 1972, the press and public be excluded from the meeting for the consideration of the following item on the grounds that it involved the likely disclosure of exempt information as defined in paragraph 3, and 6 of Part I, Schedule 12A of the Act.

10 **Exeter Livestock Centre**

The report of the Acting Head of Estates Services was submitted, which set out the background and options for the future of the Exeter Livestock Centre at Matford Business Park. Members discussed the current use, maintenance of the Livestock Centre building and future impact on the farming and wider community. They also considered possible options for the future of the facility.

Scrutiny Committee - Economy supported the report and recommended that Executive approve that -

- (1) the Acting Head of Estates Services be authorised to negotiate the terms for a ten year lease for the operation of Livestock Markets from April 2012, in consultation with the Portfolio Holder for Economy and Tourism, and
- (2) should it be required, the Acting Head of Estates Services be authorised to undertake a formal tendering process.

(Report circulated to Members)

The meeting commenced at 5.30 pm and closed at 8.50 pm

Chair