

SCRUTINY COMMITTEE - ECONOMY

10 March 2011

Present:

Councillor Mrs S R Brock (Chair)

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

Director Economy and Development, Head of Economy and Tourism, Head of Exeter Archaeology, Projects and Business Manager, City Centre Manager and Member Services Officer (SLS)

Also present:

Councillor Sheldon
Councillor Sutton

- Portfolio Holder for Economy and Tourism
- Portfolio Holder for Sustainable Development and Transport

11 **Minutes**

The minutes of the meeting held on 20 January 2011 were taken as read, and signed by the Chair as correct.

12 **Declarations of Interest**

The following personal interests were declared:-

COUNCILLOR	MINUTE
Councillor Wardle	20 (Member of the Devon Archaeological Society)
Councillors P J Brock and Prowse	14(Members of Devon County Council)

MATTER FOR CONSIDERATION BY EXECUTIVE

13 **Social Enterprise Support**

The Head of Economy and Tourism provided an update on the performance of the pilot project launched in April 2010, created to promote and offer business support for new and existing social enterprises in Exeter. Executive approval was also sought for a second year of funding to continue the service. Although the pilot does not formally finish until the end of March 2011, the additional funding will be used by the Community Enterprise Unit (CEU) for a further 12 month period to provide one-to-one advice and workshops with a specific focus on supporting further new start-ups. They will continue to follow up contact with the clients to monitor outputs, particularly job creation, and provide City Council officers with an update on performance data, which will reported to the Scrutiny Committee when available.

The Head of Economy and Tourism responded as follows to Members' comments:-

- Support has been given to a number of projects creating businesses and employment opportunities with a clear social benefit. Examples of social enterprises supported by the project include the Petroc Project, giving St Petroc's clients practical construction experience on local building

projects; County Unwrapped provides transport and support for projects helping clients with autism, and Ways to Win helps other organisations to bid for public sector contracts with any surplus profit ploughed back into the business.

- The funding of £25,000 will meet the employee cost of an advisor at CEU.

Scrutiny Committee – Economy supported the report and

- (1) the release of £25,000 from the 2010/2011 Economy and Tourism Budget to fund a second year of service delivery to promote job creation through support and further development of social enterprises in the city; and
- (2) recommended that Executive approve this expenditure.

(Report circulated)

MATTERS FOR CONSIDERATION BY SCRUTINY COMMITTEE - ECONOMY

14 Report of the Rail Task and Finish Group

Councillors Prowse and P Brock declared an interest as members of Devon County Council with regard to the discussion relating to the County Council's Rail Task and Finish Group.

The Projects and Business Manager presented a report on behalf of the Rail Task and Finish Group which had been set up to study issues relating to the rail system in and around Exeter, including the required infrastructure and rolling stock. The aspirations for rail in and around Exeter were considered, including the need for stations at Cranbrook, Newcourt, Monkerton/Hill Barton and Marsh Barton, all of which were considered vital to serve the development being proposed through the Local Development Framework. Members of the Task Group also heard from a number of witnesses associated with the rail industry.

The report referred to the deliberations of the Devon County Council's Rail Task Group and the need for a concerted approach together with other stakeholders to try to influence the future planning and development of the rail system.

One Member considered the Task Group had been a very worthwhile and positive experience and welcomed the efforts by both the City and County Councils to address future congestion. A Member expressed concern about the funding of future rail infrastructure including stations, and ensuring there was enough rolling stock. Another Member reiterated the need for both the City and County Council to speak to Government with one voice to ensure that there was adequate future investment in rail. He pointed out that funds from a Community Infrastructure Levy were going to be subject to competing demands, and urged Members to continue to support rail improvements when considering those demands.

Members thanked the Rail Task and Finish Group for their input and Ross Hussey for a very comprehensive and thorough report.

Scrutiny Committee – Economy supported the recommendation that :-

- (a) Devon County Council's "Devon Metro" proposals be endorsed, and that City Council members and officers actively support the process of making them a reality;
- (b) the principle of working with Devon County Council and other public and private sector stakeholders to lobby for rail improvements be endorsed:-

- (i) with prospective supporters to include Exeter businesses, Exeter Chamber of Commerce and Industry, the University of Exeter, Exeter Airport, Travel Watch South West, the local media, MPs and MEPs;
- (ii) with prospective drivers of the process to include the Exeter and East Devon New Growth Point Steering Board, the Exeter and Heart of Devon Economic Partnership, and the emerging Local Enterprise Partnership;
- (iii) with specific objectives being:-
 - the need for procurement of a new fleet of diesel multiple units, to address a national shortage and enable sufficient rolling stock to be allocated to the south west;
 - cascades of suitable rolling stock if opportunities arise;
 - a review by Network Rail of the Great Western Route Utilisation Strategy to reflect the increase in passenger numbers in excess of predictions;
 - the inclusion of the Devon Metro improvements in new franchises, and in resignalling schemes;
- (c) all opportunities be taken to secure funding for Devon Metro, including financial contributions from developers (through section 106 agreements or the Community Infrastructure Levy) as well as the safeguarding of land; and
- (d) the Projects and Business Manager to provide members periodically with summary sheets in relation to key issues, in advance of the critical dates identified in the report.

(Report circulated)

15 City Centre Performance Update

The City Centre Manager submitted a report which briefed Members on current city centre performance levels, with updates on retail unit vacancy rates, car park statistics, retail sales information and pedestrian footfall. The report concluded that maintaining the city centre renewal and securing the Business Improvement District (BID) initiative was considered vital to ensure the continuation of a broadly successful city centre. The latest full retail units' vacancy survey was undertaken in January 2011 and included a vacancy rate of 6.1.% against a national rate of 14%. Comparative City Council car park data (ticket sales data) was also set out in an appendix to the report.

The City Centre Manager referred to the effect on retail in Exeter following the temporary closure of Marks and Spencer. The store was expected to reopen very shortly and he referred to the efforts made by the management team to reopen in as short a time as possible and return to a regular trading position. He also responded to a comment on the car park data stating that the temporary closure of the King William Street car park, the snow and adverse weather conditions at the end of December all had a detrimental impact on numbers coming in to the city and being able to use the city's car parks.

Scrutiny Committee – Economy noted the performance update.

(Report circulated)

16 **Update on the Progress and Outcomes of the Exeter Visitor/Tourism Strategy 2007 - 2010**

The Head of Economy and Tourism presented a report which updated Members on the progress and outputs of the Exeter Visitor/Tourism Strategy 2007 - 2010 and to propose objectives as the basis for the preparation of the Exeter Visitor/Tourism Strategy 2011 - 2015. A new draft will be prepared and the consultation document will be sent to a cross section of the tourism industry, neighbouring authorities and key agencies involved in promoting and supporting tourism within Exeter, the wider area and the rest of Devon.

The following five priorities were suggested to form the framework for a detailed action plan to :-

- Encourage and support market led investment in the visitor economy in Exeter; encompassing retail, food & drink, the arts, visitor attractions, accommodation and transport;
- Develop the visitor experience within Exeter maximising existing assets, to provide year round jobs and a vibrant economy;
- Raise skill levels of the existing visitor workforce and those entering employment;
- Develop consumer focused visitor marketing of Exeter and the Heart of Devon; and
- Build on work already undertaken, to further develop the Heart of Devon Tourism Partnership to secure additional funding to implement more effective marketing of the area.

The Head of Economy and Tourism responded to comments over a reduction of the daily opening hours of the Exeter Visitor Information and Tickets centre and stated that a number of permutations were currently being considered. A Member was disappointed that more of Exeter's history was not more visible and referred to the Roman Bath House and Civil War defences and suggested that more archaeological remains should be kept exposed in some way as part of the planning conditions.

A Member also asked if an exhibition or some commemoration could be organised for the upcoming 70th anniversary of the Blitz of Exeter in 2012. He understood that the Imperial War Museum was prepared to release some artefacts to the city. The Head of Economy and Tourism noted the suggestion.

Scrutiny Committee – Economy noted the progress and outputs of the Exeter Visitor/Tourism Strategy 2007 – 2010; and supported the development of the Exeter Visitor/Tourism Strategy 2011 - 2015 based on the aim and five priorities as set out in paragraph 7.3 of the circulated report.

(Report circulated)

17 **Briefing Note : Proposed Heart of the South West - Local Economic Partnership**

The Head of Economy and Tourism provided a briefing note for Members on the current stage of development of a proposed Local Enterprise Partnership (LEP) for Devon and Somerset. Following the rejection of the original Devon proposal, a new Draft Prospectus for Devon, Plymouth, Somerset and Torbay has been drafted by a joint private and public sector LEP Steering Group. The document will be presented as an outline document to set the scene and secure initial support from Government.

Although the consultation deadline was 25 February 2011, Members' comments on the issues raised by the draft Prospectus were sought. When a final version of the Prospectus is produced, it will be circulated to members of the Scrutiny Committee.

Members considered it was important to ensure that every effort was made to promote the city and local economy to ensure there was adequate representation for the city. A Member asked whether there was adequate transparency or accountability as many of the proposed representatives on the planned LEP were dominated by business and the unitary authorities of Plymouth and Torbay. The Head of Economy and Tourism appreciated the concern but suggested waiting to see the detail. The Director Economy and Development agreed that the lack of representation afforded to District Councils was an issue and every effort was being made to address that and ensure that the Exeter economy was adequately represented. The role of the LEP might be very different in the future and more of an assurance that there will be an Exeter based private sector representation was needed.

Scrutiny Committee – Economy noted the progress and the issues raised by the briefing note on the Draft Prospectus for the proposed LEP for Devon and Somerset.

(Report circulated)

PERFORMANCE MONITORING

18 Scrutiny Economy Stewardship to December 2010

The report of the Head of Treasury Services was submitted and he advised Members of any forecast variations to the budget, based on the first nine months of the financial year 2010/11. The differences by management unit were highlighted for the outturn forecast in the financial year up to 31 December 2010, compared with the approved annual budget. During this period the total of the variances indicate that the overall net expenditure for this Scrutiny Committee would decrease by £478,590. This included supplementary budgets of £21,510.

The Director Economy and Development would respond directly to a Member on a query relating to bus shelter maintenance and also look into comments made about a possible impact on bookings due to the décor of parts of the Corn Exchange.

Scrutiny Committee - Economy noted the report.

(Report circulated)

MATTER FOR CONSIDERATION BY EXECUTIVE

19 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 discussion of exempt information as defined in paragraphs 1 and 2 of Part 1, Schedule 12A of the Act.

20 The Future of Exeter Archaeology (Archaeological Field Unit)

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

The report of the Head of Exeter Archaeology was submitted on the future of Exeter Archaeology/ the Archaeological Field Unit. This report outlined the continuing effects of the economic downturn particularly in relation to the construction industry as well as increased levels of competition. The potential responses to the financial situation were set out for consideration. Members discussed the options outlined in the report and considered that the proposed way forward was the most appropriate way to discharge the responsibility of the service obligations and commissioned work.

In response to a number of comments, the Head of Archaeology confirmed that arrangements were being made to ensure the safe deposit of the Unit's archaeological material to allow public view or continued study. A Member was concerned about the future handling of the Unit's archive and requested a further report. This proposal was moved and seconded. A Member also proposed that the wording 'with regret' be added to the recommendation. This proposal was seconded.

Members of the Scrutiny Committee – Economy and the Director Economy and Development acknowledged the valued and sterling effort and professionalism of the staff in the Unit.

Scrutiny Committee – Economy supported the report and requested Executive to:-

- (1) approve, with regret, a staged closure of the Exeter Archaeological Unit, with the retention of a skeleton staff until the beginning of April 2012; and
- (2) a further report be made in 12 months time, to Scrutiny Economy outlining the approach to the safe management and deposit of the Unit's archive.

(Report circulated to Members)

The meeting commenced at 5.30 pm and closed at 7.40 pm

Chair