



## Exeter City Council

To the Chair and Members  
of the Scrutiny Committee - Economy

Philip Bostock, Chief Executive

Bindu Arjoon, Assistant Chief Executive

Civic Centre, Paris Street, Exeter, EX1 1JN  
Tel: 01392 277888      www.exeter.gov.uk

Direct dial: 01392 265115

Fax: 01392 265268

email: sharon.sissons@exeter.gov.uk

Our ref:

Your ref:

### **AGENDA FOR EXETER CITY COUNCIL SCRUTINY COMMITTEE - ECONOMY**

The Scrutiny Committee - Economy will meet on **THURSDAY 10 MARCH 2011**, 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 20 January 2011.

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**

To pass the following resolution -

**RESOLVED** that, under Section 100A(4) of the Local Government Act 1972, the

press and public be excluded from the meeting during consideration of item 12 on the grounds that it involves the likely disclosure of exempt information as defined in paragraph 1 of Part I, Schedule 12A of the Act.

4 **QUESTIONS FROM MEMBERS OF 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.

**MATTER FOR CONSIDERATION BY THE EXECUTIVE**

6 **SOCIAL ENTERPRISE SUPPORT**

To consider the report of the Head of Economy and Tourism – *report circulated* 1 - 4

**MATTERS FOR CONSIDERATION BY SCRUTINY COMMITTEE - ECONOMY**

7 **REPORT OF THE RAIL TASK AND FINISH GROUP**

To consider the report of the Projects and Business Manager on behalf of the Rail Task and Finish Group - *report circulated* 5 - 14

8 **CITY CENTRE PERFORMANCE UPDATE**

To consider the report of the City Centre Manager – *report circulated* 15 - 22

9 **UPDATE ON THE PROGRESS AND OUTCOMES OF THE EXETER VISITOR/TOURISM STRATEGY 2007 - 2010**

To consider the report of the Head of Economy and Tourism - *report circulated* 23 - 36

10 **BRIEFING NOTE : PROPOSED HEART OF THE SOUTH WEST - LOCAL ECONOMIC PARTNERSHIP**

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

37 - 60

**PERFORMANCE MONITORING**

11 **SCRUTINY ECONOMY STEWARDSHIP TO DECEMBER 2010**

To consider the report of the Head of Treasury Services – *report circulated*

61 - 66

**MATTER FOR CONSIDERATION BY THE EXECUTIVE**

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

12 **THE FUTURE OF EXETER ARCHAEOLOGY (ARCHAEOLOGICAL FIELD UNIT)**

To consider the report of the Director Economy and Development on staffing proposals in relation to the Archaeological Field Unit. - *report circulated to Members*

67 - 78

**DATE OF NEXT MEETING**

The next **Scrutiny Committee - Economy** will be held on Thursday 9 June 2011 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 S Brock (Chair), Mrs Danks (Deputy Chair), M A Baldwin, P J Brock, A Hannaford, Payne, Prowse, Robson, Spackman, Sterry, Taghdissian, Ruffle and Wardle

Find out more about Exeter City Council services by looking at our web site <http://www.exeter.gov.uk>. This will give you the dates of all future Committee meetings and tell you how you can ask a question at a Scrutiny Committee meeting. Alternatively, contact the Member Services Officer on (01392) 265115 for further information.

**Individual reports on this agenda can be produced in large print on request to Member Services on 01392 265111.**



Please remember to recycle. If you would prefer not to receive paper copies please let us know. Contact Member Services 01392 265197 or email [member.services@exeter.gov.uk](mailto:member.services@exeter.gov.uk)

## EXETER CITY COUNCIL

### SCRUTINY COMMITTEE – ECONOMY 10 MARCH 2011

#### EXECUTIVE 22 MARCH 2011

### SOCIAL ENTERPRISE SUPPORT

#### **1 PURPOSE OF REPORT**

- 1.1 To provide Members with an update on the performance of the pilot project launched in April 2010 to promote and support social enterprises in Exeter.
- 1.2 To seek Executive approval for a second year of funding to continue the services.

#### **2 BACKGROUND**

- 2.1 In March 2010, this Committee supported a proposal for a pilot scheme involving the local Community Enterprise Unit (CEU) to promote and support social enterprises in the city. Funded by £25,000 from the Council, the initiative has been complementing the activities of Exeter Business Support, which assists the start up and growth of small commercial businesses and sole traders. Social enterprises generally are businesses that principally have social objectives, with any surpluses achieved ploughed back into the business or into the community.
- 2.2 The main targets of the pilot in Exeter were as follows:-
  - aim to support a minimum of:
    - 10 new social enterprises to start up
    - 10 existing ones to grow and increase their turnover
  - produce an evaluation report on the social and economic return on investment arising from the pilot project.
- 2.3 This report provides Members with an update on the performance of this project.

#### **3 UPDATE**

##### Performance

- 3.1 Since the start of the pilot in April 2010, CEU, supported by Officers, have been proactive in promoting awareness of the service through their own and partnership contacts, media coverage, presentations, website promotions and workshops.
- 3.2 As of January 2011, some 10 months into the pilot service, CEU's Business Advice Team has handled 62 enquiries that met the criteria for support; 7 were from the public sector and 55 from individuals, existing social enterprises, or charities looking to establish a social enterprise trading arm. Some 30 of these enquiries have subsequently been followed up.

3.3 The nature of the enquiries/follow up meetings can be split as follows: -

- start-up enquiries relate to – construction, health, public sector procurement and training & support services
- support sought from existing social enterprises relate to – arts, community support, education, environmental and sport services.

3.4 Arising from the support given, the following outputs up to January 2011 can be summarised as:

	<b>Number of social enterprises</b>	<b>Forecast Number of Jobs to be created</b>
Started -ups	5	11
Start ups in the pipeline	7	17
Existing	20	Awaiting Data
Total to date	32	28

3.5 It is too early to report on any turnover increase achieved or any additional funding secured to support the growth of the enterprises.

3.6 Members should note two relevant points on performance data: -

- the actual number of jobs created by those starting up is based on the business plans of each new enterprise
- the increase in turnover of existing social enterprises and any job creation/safeguarded figures based on actual growth will not be available until after Quarter 4 of this financial year.

3.7 CEU will follow up contact with the clients of this pilot to monitor outputs and provide Officers with an update on performance data. This information will be reported to this Committee when available.

#### Return on Investment

3.8 As part of the evaluation of this initiative, when all of the performance data has been secured, CEU will produce a social return on investment (SROI) analysis for the Council. SROI is a process of understanding, measuring and reporting on the social, environmental and economic value of this initiative in return for the Council's investment.

3.9 During the preparation of the SROI, CEU have tracked every client, numbers of business advice sessions, numbers of startups and existing organisations / projects supported. In addition, CEU have been capturing both qualitative and quantitative feedback on the work, including unintended outcomes and benefits from the pilot such as:-

- the support given to those who were actually at risk of trading illegally through not having sought advice previously (at least 2 cases)

- the support given to those who were unsure of whether to pursue a social enterprise and have gone on to set up traditional commercial businesses, having been referred to Exeter Business Support (providing added value from the pilot).

3.10 Overall, CEU will combine the tracking data with an analysis of the social enterprises financial information post the end of March 2011 and report this back as a SROI analysis to the Council.

#### **4 PROPOSAL**

4.1 Members will be aware of the significant public sector cuts underway having an impact on the number of public sector staff employed and also the nature of how future services will be delivered. As a consequence, it is likely that there will be opportunities for the private sector and social enterprises amongst others, to compete for and win forthcoming public sector contracts.

4.2 What can be seen from the pilot is the clear demand for specialist support for both new start up and existing social enterprises. Demand for the services offered continues with new enquiries being received every week and appointments to see new clients continuing to be booked. This work has been extremely well received by the clients based on their direct comments and the referrals that have happened from client to client. Given the current economic position, to see 12 new businesses getting underway is most encouraging.

4.3 One debate perhaps is whether further resources should be solely applied to supporting more new enterprise start ups or whether a reasonable proportion of time should be spent providing a 'draw down' allocation of time for those newly set up clients to nurture them through the early stages of trading and further their chances of success.

4.4 Whilst the pilot does not formally finish until the end of March 2011, the performance and progress reported would indicate the initiative is not only meeting a demand but also delivering effective support and job creation benefits for the local economy.

4.5 It is proposed to continue funding CEU for a further 12 month period to provide one to one advice and workshops with a specific focus on: -

- supporting a further 10 new start-ups – anticipated redundancies in the public sector and pressures for change in service delivery will impact, which is likely to lead to increased demand for guidance on setting up a social enterprise
- supporting at least an additional 10 existing social enterprises and continuing to advise, support and track the performance of the 12 start ups (2010/2011) – there is a need for support to maximise their potential and further their chance of success. In addition, existing social enterprises may need to look at how the changing landscape provides opportunities for development and collaboration to compete for larger contracts with even greater potential for job creation.

#### **5 FINANCIAL IMPLICATIONS**

5.1 The cost to the City Council to fund the enhanced level of support from the CEU for the promotion of and development of social enterprises is £25,000. This can be met from the Economy and Tourism Budget 2011/2012.

5.2 CEU will also commit to secure additional sources of funding for support for new and existing social enterprise in the city.

**6 RECOMMENDED** that:

6.1 Scrutiny Committee support the release of £25,000 from the 2011/2012 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

6.2 request that Executive approve this expenditure.

**RICHARD BALL  
HEAD OF ECONOMY AND TOURISM**

**ECONOMY AND DEVELOPMENT DIRECTORATE**

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

**Background papers:**

'Social Enterprise Support', Scrutiny Economy, 11 March 2010



## EXETER CITY COUNCIL

### SCRUTINY COMMITTEE - ECONOMY 10 MARCH 2011

#### REPORT OF THE RAIL TASK AND FINISH GROUP

#### 1 PURPOSE OF REPORT

- 1.1 At its meeting on 2 September 2010, Scrutiny Committee – Economy approved the terms of reference for a Task and Finish Group to study rail issues. The aims of the Group were to:-
- understand the importance of rail in serving Exeter now and in the future;
  - assess the need for improvements;
  - understand the obstacles to improvement, including the funding gaps;
  - consider solutions;
  - identify ways of working with other stakeholders to achieve those solutions.
- 1.2 The Group comprised Cllrs Mrs Brock (as Chair of Scrutiny Committee - Economy), Sutton (as Portfolio Holder for Sustainable Development and Transport), plus Cllrs Mrs Danks, Ruffle, Taghdissian and Wardle.
- 1.3 The Group has held a series of meetings, hearing from a number of witnesses associated with the rail industry, and this report sets out its conclusions.

#### 2 BACKGROUND

- 2.1 At its first meeting the Group received a brief explanation of the structure of the rail industry. This involves a number of organisations, with the following having the greatest influence over the local scene:-
- Network Rail, which owns and controls the track;
  - Train Operating Companies (TOCs), which are franchised by the Department for Transport to run the trains using rolling stock leased from Rolling Stock Leasing Companies (RoSCos).
- 2.2 The Group heard from representatives of Network Rail, and two of the three TOCs operating in the area namely First Great Western and South West Trains. It also heard from Devon County Council as Local Transport Authority, and the Avocet Line Rail Users' Group to understand the railways from the passengers' perspective.
- 2.3 By coincidence, Devon County Council had set up a Task Group to consider rail issues across Devon, operating to a timetable slightly in advance of our own. Their conclusions are summarised later in this report. During our own programme of meetings the ECC Group recognised the need to work with County colleagues as closely as possible to promote our desired outcomes, and an additional meeting was set up to discuss how this could be achieved, at which East Devon District Council was also represented. This has informed the overall conclusions in this report.
- 2.4 Member of the Group are very grateful to the witnesses who have given up their time to address the Task and Finish Group, in particular:-

- Devon County Council for their clearly expressed willingness to work together with ECC and others to improve the local rail system;
- those from the TOCs and Network Rail, who travelled significant distances to attend, and who provided a valuable insight into how the railways work;
- the Avocet Line Users' Group for setting out their challenging yet realistic vision for rail, and whose reference to the local rail network as "a priceless asset operating well below its potential" concisely sums up the situation which needs to be addressed.

### **3 THE EXETER RAIL SYSTEM**

3.1 The presentations by Devon County Council and the Avocet Line Rail Users' Group provided a useful insight into the issues affecting the rail network and services around Exeter. The context can be summarised as follows:-

- In the 1960s and 1970s, use of the railways was declining and infrastructure was reduced accordingly, eg. the Exmouth (Avocet) line was reduced to single track throughout, having previously been double track between Exmouth Junction (where it leaves the Waterloo line) and Topsham.
- More recently, the railways have experienced a period of sustained growth. Locally between 2001 and 2010, according to DCC, there has been passenger growth on the main line of 5% annually, and 10% on local services (around 25% on some lines). Digby and Sowton station opened in 1994 and now caters for over a quarter of a million passengers annually.
- Much of the new development being planned in and around Exeter has the potential to be served by rail:-
  - Cranbrook – developer contributions will enable delivery of the station at occupation of around the 1000<sup>th</sup> house;
  - Newcourt – a site has been safeguarded for a station;
  - Monkerton/Hill Barton – as well as the existing station at Pinhoe, there is potential for a station on Exmouth line;
  - Marsh Barton – has potential for a station on the main line.

3.2 Devon County Council's "Devon Metro" project (see Appendix 1) is examining the feasibility of stations in these locations, together with increased frequencies in order to attract travellers from road to rail. However, as well as the opportunities presented by Exeter's extensive rail network, there are significant challenges:-

- Plans to forward-fund Cranbrook station have been halted by the withdrawal of regional funding streams.
- On the Exmouth line, one new station (eg. Newcourt) could probably be achieved without affecting the timetable, especially with better performing trains. However, to achieve a second new station (eg. Monkerton/Hill Barton), new passing loops and signalling would be needed in order to maintain the current frequency, adding to the cost (a recent platform extension and passing loop at Penryn, Cornwall, cost around £8m).
- No infrastructure improvements south west of Bristol are proposed by Network Rail's current Route Utilisation Strategy (RUS), which envisaged annual growth of only 3.4%. Although it is possible for improvements to happen outside the RUS

(Penryn is an example of this), the document is regarded as definitive by Government and other key stakeholders.

- A second station on the Exmouth line would require more trains to run in order to maintain the current frequency. In addition, the Devon Metro concept envisages more frequent services to improve their attractiveness and address existing overcrowding. However, no additional trains are available nationally, and the supply of new rolling stock is tightly controlled by the Department for Transport.
- Difficulties in collecting fares on crowded trains leads to evasion, and underestimation of patronage.
- As well as a high cost, new stations have a long lead-in time.

3.3 However, the Group heard that the efforts of those involved in the industry had resulted in various incremental improvements in recent years, including:-

- Completion of a long passing loop at Axminster in December 2009 enabled the introduction of an hourly service between Exeter and Waterloo;
- Earlier Sunday morning services have been introduced on the Exmouth line;
- An hourly service now operates on the Barnstaple (Tarka) line, with financial support from DCC;
- A new early train from Paddington, arriving in Exeter before 09.30, commenced in December 2010;
- Reliability is currently high by historic standards, with all operators in this area exceeding 90%;
- Installation of ticket gates at Exeter Central, more revenue protection staff (six full time equivalents), and more ticket vending machines, is designed to reduce fare evasion.

## **4 THE FUTURE**

4.1 The most important outcome is to ensure that the new development proposed in and around Exeter in the coming years is served by rail. To achieve this, the network and services will need to be improved in ways which will also help to encourage use of trains by the existing population.

4.2 Specifically, the Proposed Submission Core Strategy provides for a substantial amount of development over the period 2006-2026, including:-

- around 4,800 dwellings and 21 hectares of employment land at Newcourt and Monkerton/Hill Barton;
- 12 hectares of employment land at Matford, and around 500 dwellings south of Alphington as part of a larger urban extension projecting into Teignbridge;
- development in the city centre including up to 30,000 sq metres of office floorspace and 40,000 sq metres net retail floorspace.

4.3 It is vital that stations are established at Newcourt, Monkerton/Hill Barton and Marsh Barton, as well as that already planned for Cranbrook, and that services are operated at a higher frequency with more modern rolling stock. This needs to happen early enough in the development programme to make rail a realistic alternative to the car for occupants of the new development.

4.4 Witnesses who have addressed the Group have identified some key opportunities for influencing the future of the rail system. Devon County Council's Task Group has helpfully outlined a timetable of key dates:-

- 2013 or 2016 – new Greater Western franchise to commence, depending on whether or not existing franchise is extended. The Government has indicated that this will be for at least 15 years. While longer franchises will provide more opportunity for TOCs to invest in rolling stock, stations, and other infrastructure, it is essential that the franchise specification is designed in a way that includes the Devon Metro improvements.
- 2016 – target date for electrification of Thames Valley lines, releasing a fleet of 57 diesel multiple units for use elsewhere. With no new orders for diesel trains, this represents a rare opportunity to update and upgrade the rolling stock in this region, although we will be in competition with other areas.
- 2016 – the date specified in Network Rail's Route Utilisation Strategy for introduction of half-hourly Paignton service.
- 2016-2018 – scheduled resignalling of Exeter and Plymouth areas.

4.5 It would therefore make a lot of sense to deliver the new stations and other infrastructure improvements in around 2016, to take advantage of the potential availability of cascaded rolling stock, and to enable passing loops to be included in the design of replacement signalling systems.

## **5 THE CHALLENGE**

5.1 While this seems logical, the difficulty and cost of making it happen must not be underestimated. This Council needs to play its part, in ensuring that land is safeguarded through the planning process, and that developer contributions are obtained, either through the section 106 system or Community Infrastructure Levy.

5.2 However, those actions on their own will not be enough. Central Government needs to be convinced that this is a plan which is both essential and viable. Only then is there any likelihood of the following pieces falling into place:-

- the Devon Metro vision being recognised in reviews of the relevant Route Utilisation Strategies, and included in the relevant franchise specifications and resignalling programmes;
- more trains, comprising more modern stock, being allocated to Devon, to allow for additional services, increased frequencies and greater capacity – this could be via a cascade as described in paragraph 4.4, although the national shortage of diesel multiple units means that there will be fierce competition for any stock which becomes available;
- funding to supplement developer contributions, whether to deliver stations earlier than would otherwise be the case, or to provide additional facilities.

5.3 This requires a strong unified message to be delivered by all public and private sector stakeholders in Exeter and the wider sub-region. DCC's Task Group has identified that there has never been an MP from the south west on the Transport Select Committee. Many of the south west's MPs are new and do not necessarily have an in-depth knowledge of rail issues, particularly the challenges faced by those trying to achieve enhancements, as explained to us by the various witnesses. However, many of those are in the parties comprising the Government and may collectively be able to influence ministers.

- 5.4 The need for organisations to join forces to lobby for improvements was supported by Julian Crow of First Great Western. With the demise of Regional Development Agencies, he stressed that it was important to have a coherent voice locally arguing for infrastructure and service levels. In the longer term, Local Enterprise Partnerships might have a role to play, but we must avoid a vacuum forming in the shorter term.

## **6 RECOMMENDATIONS OF DCC'S RAIL TASK GROUP**

- 6.1 DCC's Task Group has produced a series of recommendations which can be summarised as follows:-

- (i) The need for a unified south west voice on the national stage, beginning with a summit of rail decision makers from the south west, to form a consensus and action plan regarding the following:-
- lobbying to secure a new train fleet across the south west;
  - reconsideration of the Greater Western Route Utilisation Strategy;
  - how to promote rail freight;
  - a joint public transport card;
  - how to improve Network Rail to ensure it is fit for purpose.
- (ii) The need for more strategic meetings between Network Rail and DCC, based on the system which operates between the West of England Partnership (of local authorities in the Bristol area) and Network Rail.
- (iii) The need to seize every opportunity to secure increased rail services and train capacity in the south west, including by:-
- contributing to new Greater Western franchise specification (due 2013 or 2016);
  - working to receive trains displaced by any replacement rolling stock for the Cardiff – Portsmouth line, to supplement existing vehicles;
  - working to receive the trains displaced by Thames Valley electrification, as replacements for existing stock.

- 6.2 Our own Task and Finish Group supports those recommendations and has reached very similar conclusions from its own work.

- 6.3 City Council members have asked to be supplied at appropriate times with a brief summary sheet of points to be made, and to whom, in relation to the key issues identified in this report. These will be required at specific points in the future, such as when a new franchise is being drawn up, or a cascade of rolling stock is being considered. As a first step, a summary sheet has been prepared in relation to the national shortage of diesel trains, since that is a current problem, with the existing fleet being inadequate to cope with present demand, let alone the Devon Metro proposals. This summary sheet forms Appendix 2 to this report.

## **7 OTHER MATTERS**

- 7.1 The Group's attention was drawn to the fact that the Secretary of State has commissioned a study by Sir Roy McNulty into the value for money of the UK's rail industry as a whole. That and the economic situation are likely to influence the shape of Britain's railways in the future, but it is significant that considerable investment is being planned in rail in other parts of the country and we need to ensure that the south

west in general and the Exeter area in particular do not miss out. The Government would be wrong to regard our railways as underused rural lines, when the truth is that they are increasingly well used (and in some cases overcrowded) commuter and intercity routes.

- 7.2 Members have concerns about the level of some fares, particularly walk-on fares for longer distances. They appreciate the explanations given to them by the representatives of the TOCs as to the framework they inherited from British Rail, and the constraints imposed by regulation. They were encouraged to learn that a widespread reduction in fares on local lines succeeded in increasing patronage, as well as the steps being taken towards smart ticketing and multi-journey deals for less frequent travellers. However, they are concerned that train fares must be competitive to encourage people out of cars and ease congestion on the roads.
- 7.3 They are also encouraged by the increasing facilities for cycles at stations, and wish to see continued improvement in this regard. Cycling and rail appear to be modes of travel which fit together effectively to provide the door to door service which people need. They were interested to see some of the facilities which had been provided by South West Trains as part of their Bike and Ride bid, which could usefully be copied at local stations.
- 7.4 Members were also interested to learn of the customer information systems being introduced at stations and elsewhere, including the possibility of using real-time information feeds in shops and workplaces. The Council is working with Devon County Council to develop real-time information facilities based on the “monoliths” in the city centre.
- 7.5 Members were disappointed that the proposed Inter Modal Freight Terminal east of Exeter had not come to fruition, especially at a time when supermarkets were showing a willingness to use rail for transporting goods.

## **8 RECOMMENDED**

### **8.1 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, TravelWatch 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;
- (d) the Projects and Business Manager provide members periodically with summary sheets in relation to key issues, in advance of the critical dates identified in this report.

Ross Hussey  
Projects and Business Manager  
on behalf of the Rail Task and Finish Group

## **ECONOMY AND DEVELOPMENT DIRECTORATE**

### **Local Government Act 1972 (as amended)**

#### **Background papers used in compiling this report:-**

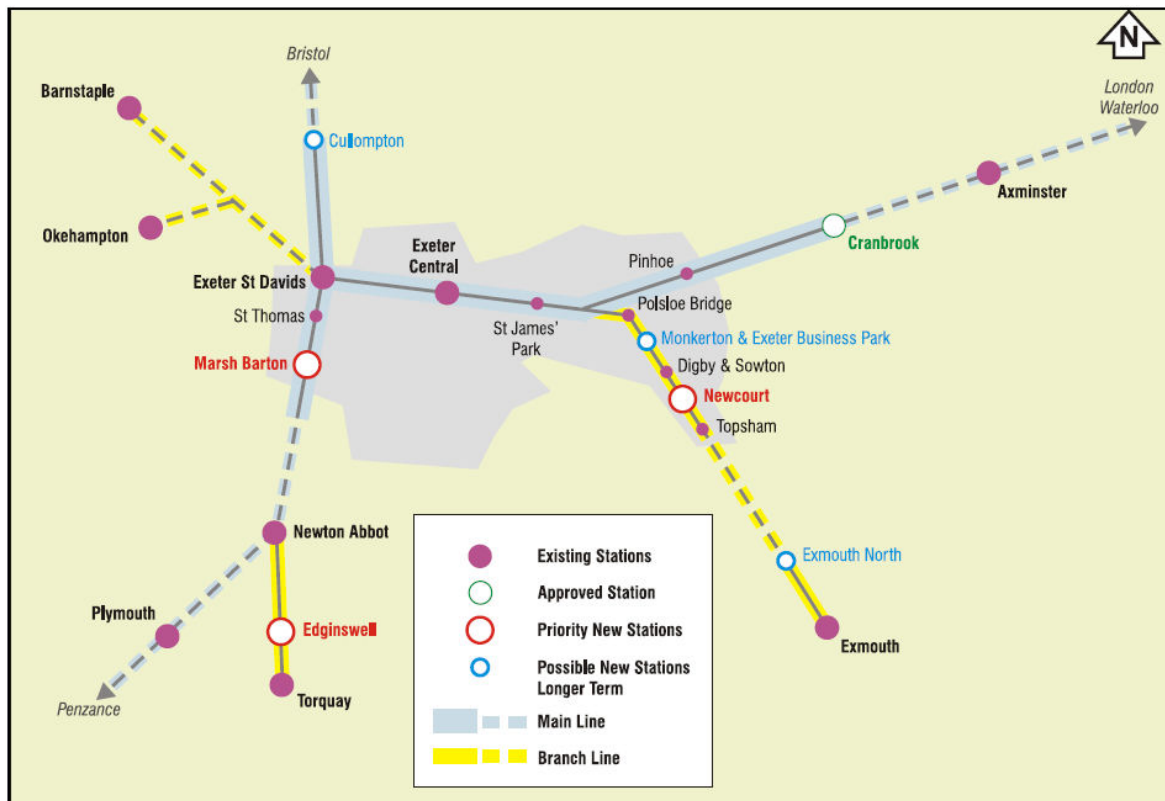
Devon County Council Scrutiny Task Group (Rail) – Report (January 2011)

Rail Value for Money Study interim report (Sir Roy McNulty for DfT, December 2010)

Great Western Route Utilisation Strategy (Network Rail, March 2010)

## Appendix 1

### Devon Metro proposals



#### Short term aims

- 4 car trains in the peaks
- New station on the Exmouth Line
- New station at Marsh Barton
- 30 minute local service frequency on the Paignton line
- Cranbrook station

#### Longer term aims

- 30 minute frequency to Cranbrook, Honiton and Axminster
- Further new stations on the Exmouth line
- 15 minute frequency on the Exmouth line
- 15 minute frequency on the Paignton line



## Appendix 2

### BRIEFING NOTE

#### BRITAIN NEEDS MORE DIESEL TRAINS FOR LOCAL SERVICES

##### Why?

The existing fleet is SUBSTANDARD – it includes around 140 “Pacers” which are bus bodies running on rails.

The existing fleet is OLD – the Pacers are 25 years old, and over 300 of the “Sprinters” are 20-25 years old.

There aren't ENOUGH of them – there is already overcrowding on peak services in and out of Exeter (and elsewhere), and growth in passenger numbers is exceeding 10% a year. Even after current cascades have been completed, there will be no increase in the number of rail vehicles in South West England.

##### What about electrification?

Electrification of the Thames Valley network will free up some suitable trains, BUT:-

- This won't happen until 2016 at the earliest.
- Only around 57 “Turbo” trains will be released.
- They will be around 25 years old by then (although the lower leasing costs associated with this would be an advantage for our local lines).
- This area will be in competition with other parts of the UK for this stock.

##### Is anything else on order?

Not after the trains currently being delivered to London Midland, which are enabling the current cascades. Future orders are for electric trains. The South West looks set to get nothing until 2016 at the earliest.

##### What is needed?

Britain needs a fleet of “go anywhere” diesel trains for local lines in areas without electrification. The need for these is particularly urgent in Exeter and the wider South West. A new fleet could provide adequate capacity now, cater for growth, and enable withdrawal of the oldest trains.

##### Who needs to know this?

Ministers at the Department for Transport, because they control the supply of rolling stock.

This page is intentionally left blank

## EXETER CITY COUNCIL

### SCRUTINY COMMITTEE ECONOMY 10 MARCH 2011

#### CITY CENTRE PERFORMANCE UPDATE

##### 1.0 PURPOSE OF REPORT

- 1.1 The purpose of this report is to brief members on current city centre performance levels, with updates on retail unit vacancy rates, car park statistics, retail sales information and pedestrian footfall.

##### 2.0 RETAIL UNIT VACANCY RATES

- 2.1 The latest full retail units vacancy survey was undertaken in January 2011 and the survey makes encouraging reading, with the lowest number of vacant retail units in the City Centre since August 2008. A summary of survey figures is set out at **Appendix 1**. It should be noted that 5 of the 16 areas surveyed had no vacancies and 12 of the 16 areas surveyed showed vacancy rates either remaining static or reducing since October 2010. In January 2011 there were a total of 38 vacant retail units in the City Centre – out of a total of 622 units (6.11% vacancy rate). It is worth noting that the current national average vacancy rate is running at approximately 14%. A number of City Centre retailers currently trading can be identified as ‘at risk’ of closure, but it is not anticipated that the risk of significant post Christmas store closures is as high as in 2009 and 2010. Further significant points arising from the vacancy survey are set out in paragraphs 2.2 to 2.5 below.
- 2.2 **Fore Street.** The majority of vacancies are within the two arcades. The loss of Pasta Porto represented a setback to progress on broadening-out the appeal of the Fore Street ‘evening economy’ offer.
- 2.3 **High Street.** The number of vacant units within the High Street is shown at 3 within the latest survey (although with the recent loss of Fopp this has now increased to 4). This is a significant drop from the corresponding survey figure from the beginning of 2010, when the number of vacant units stood at 10.
- 2.4 **Guildhall Shopping Centre.** There is currently only 1 vacant unit in Guildhall Shopping Centre, last achieved in November 2009. Interest is being expressed by a number of potential tenants in the former Sands (previously Coffee Plus) unit.
- 2.5 **Sidwell Street.** The retail unit vacancy rate remains stubbornly high in Sidwell Street, with 8 units currently vacant. It is anticipated that the arrival of the John Lewis at Home store in the autumn of this year will have a beneficial impact on the trading position in this part of the City Centre.
- 2.6 **Local Data Company.** It should be flagged that in the report published by the Local Data Company during week beginning 14 February (‘Terminal Illness or Gradual Decline – A review of GB shop vacancy in 2010’), the vacancy rate quoted for Exeter is significantly higher than the figures reported above. The LDC give a vacancy rate

for Exeter of 14.3%. It is understood that the area surveyed by the LDC extends significantly beyond the City Centre area that would be immediately recognisable by most city visitors, shoppers residents and businesses. The LDA figures have been directly challenged by the City Centre Manager.

### **3.0 CAR PARK DATA**

- 3.1 Comparative **City Council** car park data (ticket sales data) is set out at **Appendix 2**. Data is shown for the quarters ending September and December 2009 & 2010 and for January 2010 & 2011.
- 3.2 The quarters ending September 2009 and September 2010 show a broadly static performance.
- 3.3 A significant drop in ticket sales is shown between the quarters ending December 2009 and December 2010. This is due to two key factors – King William Street car park refurbishment work (delivered between September and November 2010) and significant snowfall in December (which closed a number of car parks during what would have been expected to be the peak pre-Christmas trading period).
- 3.4 January 2011 car park ticket sales were very positive – marking a significant uplift over January 2010.

### **4.0 RETAIL SALES DATA**

- 4.1 Retail sales data is monitored on an on-going basis, both formally and informally.
- 4.2 Dialogue with the Guildhall and Princesshay Centre Management teams and retail store managers indicates that November sales showed year-on-year increases of up to 10%, December sales slowed considerably (with year-on-year comparative figures dropping by up to -7%) and January sales showing significant year-on-year growth of 10%.

### **5.0 FOOTFALL MONITORING**

- 5.1 Footfall data is included within this report from the Guildhall Shopping Centre, providing a broad indication of footfall within the wider City Centre.
- 5.2 November 2010 footfall was 2.4% up on 2009 (with the national footfall benchmark figure showing a drop of 2.2%), December 2010 footfall was 3.5% down (with the national benchmark figure showing a drop of 3.1%) and January 2011 footfall was 8.4% up (with the national benchmark figure showing an increase of 1.8%). It is worth noting that during the final week of December (week 52), Guildhall Shopping Centre footfall was up by 8.3%, with the national benchmark figure showing an increase of only 1.5%.
- 5.3 Footfall data would seem to support the broad message that ‘early’ Christmas trade was encouraging – with cold weather and heavy snowfalls causing significant drops in footfall figures in December. In turn, sales period and January footfall has been very encouraging and has provided a very sound platform for 2011.

## **6.0 CONCLUSION**

- 6.1 Key data set out above provides a snapshot indicator of recent city centre performance.
- 6.2 The current economic climate remains challenging, however current analysis of key performance indicators in Exeter and informal feedback from City Centre retailers is relatively encouraging. It has been consistently argued that Exeter is better prepared to deal with the challenging economic climate than many places and that this is a direct result of the significant levels of City Centre investment and effective partnership working delivered over recent years.
- 6.3 There are, however, no grounds for complacency, with the economic picture often confusing, contradictory and fast changing. Securing continued investment and maintaining the process of city centre change and renewal – a process that would be underpinned through the securing of an Exeter Business Improvement District – will be vital if we are to maintain the broadly successful performance of city centre businesses.
- 6.4 Analysis of performance will be undertaken on an on-going basis and reported to Economy Scrutiny Committee as appropriate.

## **7.0 RECOMMENDATION**

- 7.1 That Members note and comment on the performance update.

**JOHN HARVEY**  
**CITY CENTRE MANAGER**

### **ECONOMY AND DEVELOPMENT DIRECTORATE**

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

Background papers used in compiling this report:

None

This page is intentionally left blank

## City Centre Retail Unit Vacancy Rates

Street/Area	08/07	08/08	03/09	06/09	08/09	11/09	02/10	05/10	08/10	10/10	01/11
<b>Cathedral</b> (includes Broadgate, Cathedral Close and Cathedral Yard)	1	1	1	1	1	0	0	0	0	0	0
<b>Castle Street</b> (includes Little Castle Street)	2	0	0	1	1	1	1	0	0	0	0
<b>Catherine Street</b>	0	0	0	0	0	0	0	0	0	0	0
<b>Cheeke Street</b>	0	0	0	0	0	0	0	0	0	0	0
<b>Fore Street</b> (includes City Arcade, Mary Arches, and Fore Street Centre)	4	4	11	9	8	6	6	6	9	6	7
<b>Gandy Street</b> (includes New Buildings, Queens Walk and Upper Paul Street)	0	1	0	1	1	2	3	3	1	1	1
<b>Guildhall Centre</b> (includes Goldsmith Street and Waterbeer Street)	0	2	2	3	2	1	3	3	3	2	1
<b>Harlequin Centre</b>	7	4	5	5	6	5	5	6	6	6	7
<b>High Street</b> (includes Roman Passage)	1	5	8	8	8	9	10	9	5	2	3
<b>Martins Lane</b>	0	0	0	0	0	0	0	1	1	0	0
<b>North Street</b>	2	2	2	1	1	2	2	2	2	1	1
<b>Paris Street</b>	1	4	6	3	3	3	3	4	4	5	3
<b>Princesshay</b> (includes Bampfylde Lane, Bedford Street, Blue Boy Square, Eastgate, Princesshay Lane and Roman Walk)	n/a	3	7	9	7	3	4	2	5	4	2
<b>Queen Street</b>	0	0	0	1	3	3	4	2	3	3	3
<b>Sidwell Street</b>	6	9	6	4	8	8	8	7	4	5	8
<b>South Street</b>	2	1	1	3	0	0	0	4	5	4	2
<b>TOTAL</b>	<b>26</b>	<b>36</b>	<b>49</b>	<b>49</b>	<b>49</b>	<b>43</b>	<b>49</b>	<b>49</b>	<b>48</b>	<b>39</b>	<b>38</b>

This page is intentionally left blank



### Comparative City Council Car Park Data (Ticket Sales Data)

	Quarter End Sept 2009	Quarter End Sept 2010	Quarter End Dec 2009	Quarter End Dec 2010	January 2010	January 2011
<b>Bampfylde Street</b>	29,377	26,446	29,433	28,263	7,895	8804
<b>Fairpark</b>	23,104	23,423	26,731	24,396	6,501	7380
<b>King William St (inc extension &amp; Leighton Terrace)</b>	73,632	66,287	92,852	62,265	19,642	20768
<b>Mary Arches</b>	114,401	113,246	117,107	113,282	30,263	32860
<b>Harlequins</b>	23,735	19,496	25,594	21,417	6,414	6575
<b>Smythen Street</b>	13,704	13,229	16,835	15,129	4,244	4800
<b>Broadwalk House</b>	32,217	35,123	34,393	35,043	9,050	10570
<b>Triangle</b>	37,409	38,169	42,419	41,410	10,849	12038
<b>Guildhall Shopping Centre</b>	111,953	113,162	114,841	107,195	30,118	34015
<b>Magdalen Street</b>	20,912	21,754	19,967	22,407	3,181	6500
<b>Bystock Terrace</b>	7,282	8,348	8,254	7,993	2,309	2553
<b>Richmond Road</b>	1,180	1,357	1,700	1,748	456	466
<b>Parr Street</b>	2,336	2,250	2,229	2,158	638	625
<b>Belmont Road</b>	3,841	3,816	3,688	3,348	1,097	1102
<b>Howell Road</b>	31,741	38,135	46,492	38,707	10,556	12608
<b>Bartholomew Terrace</b>	1,497	1095	1598	1291	352	496
<b>Civic Centre</b>	17,854	17,812	22,103	20,523	4,802	5233
<b>Cathedral &amp; Quay</b>	31,875	34,546	29,570	20,523	6,125	6672
<b>TOTAL</b>	<b>578,050</b>	<b>577,694</b>	<b>635,806</b>	<b>567,098</b>	<b>154,492</b>	<b>174,065</b>

This page is intentionally left blank

## EXETER CITY COUNCIL

### SCRUTINY COMMITTEE – ECONOMY 10 MARCH 2011

#### UPDATE ON THE PROGRESS AND OUTCOMES OF THE EXETER VISITOR/TOURISM STRATEGY 2007 - 2010

##### **1.0 PURPOSE**

- 1.1 The purpose of this report is to update 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.

##### **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 was 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 was on encouraging more short-break, day visitors and groups to the city and the surrounding area, thus increasing the level of tourist spend in Exeter.
- 2.4 Actions from the Visitor/Tourism Strategy form part of the Tourism Unit's annual work programme and 'Service Improvement Plan'.

##### **3.0 HEART OF DEVON TOURISM PARTNERSHIP**

- 3.1 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 and where possible, pool resources and maximise promotion through an integrated approach. Over the past five years the Tourism Unit has been working on developing the Heart of Devon Tourism Partnership, which broadly covers the areas of Exeter, East Devon, Mid Devon and Teignbridge.
- 3.2 During the time of the strategy the Tourism Partnership was formalised and registered at Companies House. 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 an annual membership fee.
- 3.3 As of January 2011, membership of the Tourism Partnership stands at 303 tourism businesses, which covers mainly attractions, accommodation and eating out venues based within Exeter, East Devon, Mid Devon and Teignbridge. A target of 10 new members per month is in place, which is regularly met. 100% of income received is

spent on promoting the Heart of Devon regionally, nationally and where possible internationally.

- 3.4 There are 6 appointed board directors (main funders) and 5 elected board directors. Elected directors are appointed every two years at the AGM, the first was held July 2010. Some projects are undertaken in conjunction with Visit Devon and other tourism partnerships within Devon to avoid duplication, to achieve cost savings and greater impact.

#### **4.0 PROGRESS AND OUTPUTS OF THE VISITOR/TOURISM STRATEGY 2007 - 2010.**

- 4.1 The following four priorities were agreed and have been implemented in partnership with the business community in the city and the Heart of 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. An overview of progress and detailed outputs for the period of the Visitor/Tourism Strategy are listed under each priority area:

- 4.1.1 **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:**

Themed marketing campaigns researched, developed and implemented aimed at day visitors, overnight stays and group organisers wishing to visit Exeter and the Heart of Devon. A full progress report covering the range of activities undertaken is set out in Appendix 1.

##### **Outputs:**

- unique website hits increased by 501% from 24,107 to 145,049, from 2006 (first year of website) to 2010;
- group bookings made through the Tourism Unit increased by 27% from 334 to 425 during 2005 to 2010;
- increase of 22% in the amount of people who visit the city to visit friends and relatives from 158,000 to 193,000 (between 2005 and 2009);
- an increase of 17% in the amount of day visitor trips to the city from £67.8 million to £79.5 million (between 2005 and 2009);
- a decrease of 13% in the amount people spend on an overnight stay in the city from £82.9 million to £71.6 million (between 2005 and 2009)
- an increase of 7% in the amount visitors spend in the retail sector in the city from £44.5 million to £47.6 million (between 2005 and 2009);
- an increase of 3.5% in the amount visitors spend on food & drink in the city from £43 million to £44.5 million (between 2005 and 2009);
- usage of Exeter's Park & Ride increased by 11% during the period 2005/06 to 2009/10.

- 4.1.2 **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:**

Both Exeter Visitor Information & Tickets and Exeter's Underground Passages refurbished and relocated to within the Princesshay development September

2007. A full progress report covering the range of activities undertaken is set out in Appendix 1.

**Outputs:**

- attendance at the Exeter Food Festival increased by 150% during the period 2004 – 2010;
- economic impact of the Tour Series in Exeter is estimated at £934k per event, which helps to support an estimated 3 FTE jobs in the city;
- Exeter featured within both 2010 Tour of Britain stages in Devon;
- supporting and promoting events and festivals within Exeter, including
  - Exeter Summer and Autumn Festivals;
  - Exeter Cathedral Concert Series;
  - Big Screen in the Park;
  - Exeter Festival of South West Food & Drink;
  - Animated Exeter;
  - Respect Festival;
  - Exeter Phoenix/Exeter Northcott/SpaceX/Barnfield programmes;
  - University of Exeter concerts and talks.
- increase in visitors going on a Red Coat Guided tour by 17% from 12,912 to 15,221 during 2005 – 2009;
- overall visitor usage of Exeter Visitor Information & Tickets has changed but increased by 6.8% from 111,533 to 119,127 during 2005 to 2010, with variations on different types of users:
  - visitors through the door – decreased by 12%;
  - emails received requesting information – increased by 373%;
  - telephone calls requesting information – increased by 31%;
  - letters received requesting information – increased by 39%.
- attendance increased at Exeter's Underground Passages when themed events held:
  - Exeter Blitz – attendance figures increased by 136% during the period 2008 – 2010.
  - Christmas crafts – attendance increased by 86% during the period 2008 – 2010.
  - Gory stories – attendance increased by 65% during the period 2008 – 2010.

**4.1.3 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:**

Heart of Devon Tourism Partnership formed with associated membership benefits. Two hotel developments completed, four due to be completed during 2001 - 2012. A full progress report covering the range of activities undertaken is set out in Appendix 1.

**Outputs:**

- 309% increase in membership levels to the Heart of Devon Tourism Partnership during the period 2007 - 2010, which allows for greater marketing of the area regionally and nationally;
- first Heart of Devon AGM held July 2010, first members seminar held November 2010;
- following the hotel study, a number of hotels are completed or due to be completed imminently:

- Jurys Inn, Western Way – 170 bedrooms (completed);
- Premier Inn, Bonhay Road – 102 bedrooms (imminent completion);
- Southernhay House, Southernhay – 10 bedrooms (2011 completion);
- Hotel Barcelona, Magdalen Street – 60 bedrooms (2012 completion);
- Mercure Southgate Hotel, Southernhay – 40 bedrooms (completed);
- Hampton by Hilton, Exeter Airport – 160 bedrooms (2011 completion);
- Visit Devon (DMO) established April 2008, as a partnership based company to promote collaborative marketing of Devon, nationally and internationally;
- 19.5% increase in employment supported by visitor spend within the city from 18,160 to 21,703 (between 2005 and 2009);
- 23 individuals took part in training courses in 2009 and 86 during 2010, ran by the Devon Tourism Skills Network and South West Tourism.

**4.1.4 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:**

New coach drop-off facility opened at Exeter Bus & Coach Station and public transport included in all tourism literature. 38 Heart of Devon members have received quality awards. A full progress report covering the range of activities undertaken is set out in Appendix 1.

**Outputs:**

- during the period of the strategy, 39 businesses achieved accreditation through the Green Tourism Business Scheme, a national sustainable tourism certification;
- 7 members of Heart of Devon received a South West Tourism Excellence Award in 2010;
- 12 members of Heart of Devon received a Visit Devon Tourism Award in 2010;
- 13 members of Heart of Devon received a Taste of the West award in 2010;
- 6 members of Heart of Devon received a Quality Assured Visitor Attraction award through Visit England in 2010;
- 5 car free days out itineraries were developed and available to download from relevant tourism websites;
- usage of Exeter's Park & Ride increased by 17% during the period 2005/06 to 2009/10;
- over 90% of brochures produced by the Tourism Unit have been printed on recycled paper;
- the consumer email database increased from 500, to 42,000 contacts, to enable us to communicate with our past and potential customers more cost effectively and frequently, and to reduce paper based communications.

## **5.0 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 like Exeter.
- 5.2 Visit England undertook national consumer research in September 2010; the results of this research concluded that:
- the rising consumer confidence in the economic situation was short-lived;
  - concern over the recession, job security and the future of personal finances continues to grow;
  - most concerned are women, 18-35 year olds, families, and particularly public sector workers;
  - almost two-thirds of people now feel the economic situation will get worse before it gets better;
  - 4 in 10 expect their financial position to worsen.
- 5.3 Information on headline national trends released by Visit England in November 2010 indicates that during 2010:
- overseas (inbound) visits were down by 2%, with spend down by 1%;
  - domestic overnight trips were down by 3%, with spend down by 7%;
  - visits to friends and relatives were down by 6% - traditionally a buoyant market.
- 5.4 The 2010 January South West Tourism 'How's Business Survey' reported that 42% of businesses (365) reported visitor numbers had decreased compared to the same period the previous year. Research undertaken nationally and regionally indicates that domestic and inbound tourism has suffered due to the national economic downturn and will continue to suffer.
- 5.5 Nationally, business tourism (conference, meetings and events) declined during the period of the Exeter Visitor/Tourism Strategy due to the economic downturn. This has had a difference on the amount of business visitors travelling and staying in the city, which has resulted in a reduction in overnights stays and overnight expenditure. This can be seen in Appendix 3.

## **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 actions; these are listed within Appendix 2. Figures for 2005 were taken as the baseline as the most recent information available at the time.
- 6.2 Facilities managed by the Tourism Unit have seen a variation of increases and decreases ranging from +1221% to -43%. This has been attributed to better promotion of visitor facilities within the city, changes in visitor booking patterns and the current economic climate. In most cases, numbers particularly dipped in 2009 although website based activity has grown markedly.
- 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.

- 6.4 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 for the Corn Exchange, Cygnet Theatre and other local cultural venues.
- 6.5 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.
- 6.6 From the most recent Cambridge Economic Impact Model (2009), which can be seen in Appendix 3, it is estimated tourism is worth £159.7 million annually to the Exeter economy, with an overall increase of 0.1% from 2005 to 2009. According to the model it had grown 3.8% in 2008 to the start of the recession. Some 21,703 jobs are supported within hotels, attractions, cultural venues, eating out venues and transport facilities within the city, an increase of 19% from 18,180 in 2005. The employment figures are perhaps a better guide to growth within the sector, as these figures not being based on the same modelling.
- 6.7 Other main points arising from comparisons from 2005 to 2009 are that:
- spend from day visitors has increased by 17%;
  - spend from overnight stays has decreased by 13%;
  - visits to friends and relatives has increased by 22%;
  - the total amount of bed spaces within Exeter has increased by 14%;
- 6.8 Due to changes within the national economy Exeter has suffered in terms of the amount of people visiting the city for an overnight stay, primarily business users, so having an effect on the target set out within the Exeter Visitor/Tourism Strategy 2007 – 2010. The intention was to increase tourism activity (visitor income) by 15% within the lifetime of the strategy, according to the model; it has only grown by 0.1% by the end of 2009. This is however in contrast with the growth in day visitor activity. Business tourism activity has been increasing again in recent months. The continued increase in investment in additional bed spaces/hotels is also a very positive sign.
- 6.9 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 2009, 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. However, it is the main source of such data.

## **7.0 EXETER VISITOR/TOURISM STRATEGY 2011 - 2015**

- 7.1 It is proposed, building upon the immediate past strategy, that a new draft Exeter Visitor/Tourism Strategy will be prepared on the basis of the aims and priorities outlined below. This would then be presented as a draft consultation document 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.
- 7.2 The aim of the new Strategy will be to:-  
 “Further develop the visitor economy in order to create and safe guard employment through the promotion and development of existing and new visitor facilities, focusing



on the strengths of Exeter as a regional cultural centre and the sub region of Heart of Devon - city, coast and country. The intention is to increase employment and tourism activity (visitor income) by 10% within the lifetime of the strategy”.

- 7.3 The following 5 priorities are suggested to be agreed with the tourism business community in the city, the Heart of Devon Tourism Partnership and Visit Devon and to form the framework for a detailed action plan:
- 7.3.1 Encourage and support market led investment in the visitor economy in Exeter; encompassing retail, food & drink, the arts, visitor attractions, accommodation and transport;
  - 7.3.2 Develop the visitor experience within Exeter maximising existing assets, so that it provides year round jobs and a vibrant economy;
  - 7.3.3 Raise skill levels of the existing visitor workforce and those entering employment;
  - 7.3.4 Develop consumer focused visitor marketing of Exeter and the Heart of Devon;
  - 7.3.5 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.
- 7.4 As part of the consultation process the draft strategy will also be available to download from [www.exeter.gov.uk](http://www.exeter.gov.uk) with a questionnaire for comments and in hard copy from the Tourism Unit.
- 7.5 Following the consultation period, a re-draft will be presented to a more limited group of representatives of the main public and private sector bodies prior to its further consideration by members and completion and adoption later this year.

## 8.0 FINANCIAL IMPLICATIONS

- 8.1 Council involvement and contribution towards delivering the new Exeter Visitor/Tourism Strategy will be met from within existing financial resources, reflecting reductions in next years budget, as summarised in the table below.

<b>Tourism Unit Budget</b>	<b>2010 - 11</b>	<b>2011 - 12</b>
Tourism Administration	£146,760	£148,920
Tourism Marketing	£105,220	£65,300
Exeter Visitor Information & Tickets	£153,030	£137,020
Exeter's Underground Passages	£95,770	£77,140
Quay House Visitor Centre (funded by ECQT)	£55,100	£55,100
Red Coat Guides	£17,320	£10,090
Heart of Devon Tourism Partnership (external funding)	£89,000	£89,000
<b>Total</b>	<b>£662,200</b>	<b>£582,570</b>

## 9.0 RECOMMENDED that:

- 9.1 Members note the progress and outputs of the Exeter Visitor/Tourism Strategy 2007 - 2010.

- 9.2 Members support 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 this report.

**RICHARD BALL**  
**HEAD OF ECONOMY AND TOURISM**

**ECONOMY AND DEVELOPMENT DIRECTORATE**

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

**Background papers used in compiling the report:**

1. Report to Scrutiny Committee - Economy 18 January 2007
2. Report to Scrutiny Committee - Economy 12 March 2009
3. Report to Scrutiny Committee - Economy 11 March 2010

## APPENDIX 1

**EXETER VISITOR/TOURISM STRATEGY 2007 – 2010  
DETAILED PROGRESS MADE AND ACTIVITIES UNDERTAKEN  
AGAINST KEY PRIORITIES**

**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:**

- "Ahead for PR" appointed to raise the profile of Exeter and the Heart of Devon nationally;
- bi-monthly consumer e-newsletter sent to visitors requesting information on the Heart of Devon;
- 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 to provide visitors with wider information on heritage attractions to visit in Exeter;
- all brochures and leaflets produced by the Tourism Unit available to download as PDF's from tourism websites, reducing postage costs;
- local company appointed to develop and implement a search engine optimisation campaign to increase unique website hits to [www.heartofdevon.com](http://www.heartofdevon.com);
- Heart of Devon Visitor Guide, Heart of Devon Group Organisers Guide, Exeter Mini Guide and Exeter Shopping & Parking Map produced as digital guides and available to download from tourism websites;
- new shopping website launched ([www.exetershopping.org](http://www.exetershopping.org));
- promotional shopping campaign delivered each year;
- partnerships developed with the Express & Echo and Heart FM to promote Exeter at Christmas locally and regionally;
- display boards promoting places to visit within Exeter, placed within empty shops;
- group booking facility expanded to include Exeter Cathedral and St Nicholas Priory;
- new Travel Trade Pass introduced for group organisers, to encourage more groups to visit Exeter and the Heart of Devon;
- Group Organisers Guide launched, covering Exeter and the Heart of Devon, to promote the area as a place to visit for groups;
- Group Privilege Card launched 2008 and updated 2010, covering a wide range of high street and independent retailers to encourage visitor spending;
- new coach drop-off point installed at Exeter Bus & Coach Station to encourage more UK and non-UK coaches to visit the city.

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

- Exeter Visitor Information & Tickets and Exeter's Underground Passages re-opened within the Princesshay development September 2007;
- Exeter's Underground Passages achieved Quality Assured Visitor Attraction award January 2010 and retained the award in January 2011. A quality assessment and management tool to help improve the service offered to customers;
- re-opening of the Quay House Visitor Centre after a period of refurbishment;
- Quay House Visitor Centre achieved Places of Interest Quality Assured award January 2011. A quality assessment and management tool to help improve the service offered to customers;
- remaining self guided heritage trail launched - Exeter Medieval Trail;

- Exeter was one of the locations for the 2009 and 2010 national 'Tour Series';
- parks & gardens featured within the Red Coat Guide annual programme of tours;
- Cricklepit Mill included and visited on Red Coat Guided tours, that visit the Quayside;
- training programme developed and implemented in conjunction with the Devon Tourism Skills Network and South West Tourism;
- autumn promotional campaign developed and themed events implemented to increase the amount of people who visit Exeter's Underground Passages during the winter months;
- Exeter's green spaces included in the annual Exeter Mini Guide and tourism websites;
- cycling in Exeter and the Heart of Devon featured in The Guardian and The Independent newspapers and website.

**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.

- company incorporated to deliver Heart of Devon Tourism Partnership activities, with the purpose of promoting the area for short breaks, long holidays and group visits. First AGM held July 2010 and first members seminar held November 2010. Membership scheme introduced and growing monthly, currently stands at 303 tourism businesses;
- new brand researched, developed and launched to promote the Heart of Devon area;
- training programme developed and implemented in conjunction with the Devon Tourism Skills Network and South West Tourism;
- Visit Devon (DMO) established April 2008 with General Manager and two support staff, development and promotional work ongoing e.g. new website launched ([www.visitdevon.co.uk](http://www.visitdevon.co.uk));
- Exeter Hotel Study produced 2007 by The Tourism Company, in partnership with East Devon District Council and Exeter City Council;
- new hotel stock promoted on tourism websites and included in press releases relating to investment within the city and new developments;
- build work 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;
- new shopping website [www.exetershopping.org](http://www.exetershopping.org) launched February 2009 with associated promotional campaign. All Exeter retail shops, attractions, accommodation and eating out venues listed free of charge;
- Exeter Tourism Forum established November 2007 with Terms of Reference. Meetings well attended by a wide range of city tourism related businesses.
- **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.
  - public transport routes highlighted in all tourism promotional literature and websites;
  - themed car free days out itineraries available to download from tourism websites, covering shopping, walking, gardens and visiting historic sites within the Heart of Devon area to encourage visitors to travel around the area by public transport;
  - Park & Ride highlighted in all tourism promotional literature and tourism related websites;

- Code of Practice developed for group related accommodation and attractions within the Heart of Devon to ensure that groups receive readily available and helpful information on pricing, access, special offers and receive an excellent welcome;
- Devon seasonal recipes available to download from [www.heartofdevon.com](http://www.heartofdevon.com);
- directory published listing venues that sell or serve Fairtrade products within the city;
- encourage businesses to take part in award schemes related to their sector (South West Tourism Excellence Awards, Visit Devon Tourism Awards, Taste of the West and the Federation of Small Businesses).

## APPENDIX 2

## Tourism Performance Indicators

Tourism Performance Indicators related to the actions within the strategy	2005	2006	2007	2008	2009	2010	% + / - from 2005
Number of visitors to the Tourist Information Centre 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. There have been issues with pedestrian signage which have now been addressed.	87,955	72,899	74,800	106,234	79,618	76,530	-12%
Number of accomm. bookings made in the Tourist Information Centre Comment: As above.	758	648	615	428	413	430	-43%
Number of visitors on a Red Coat Guided Tour Comment: The Red Coat Guides are dependant on good weather and due to us having a number of bad summers and winters; figures have reduced over the past 3 years. The amount of group bookings reduced during 2009 and 2010 due to issues with coach drop-off at Exeter Bus & Coach Station, which were addressed last winter.	12,912	14,617	18,114	17,204	16,125	15,221	17%
Number of Visitors to the Quay House Visitor Centre Comment: A new leaflet highlighted the Quayside and its attractions was produced which boosted visitor figures during 2008, but due to bad weather during 2009 and 2010 visitors to the Quayside dropped. The closure of the Quay House Visitor Centre during 2010, for a refurbishment, affected visitor numbers.	23,471	26,048	24,561	26,123	25,060	23,579	0%
Number of visitors to the Underground Passages 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 a reduction of visitors. The introduction of themed events has improved visitor numbers to the attraction.	18,459	Closed	4,753	19,863	18,896	19,517	5%
Number of visitors to the RAMM Comment: Museum closed due to major refurbishment, due to open Autumn/Winter 2011-12.	233,408	247,000	192,025	Closed	Closed	Closed	N/A
Number of visitors to Exeter Cathedral Comment: 2008 saw the introduction of an admission fee and the official counting of visitors; previous attendance was estimated.	187,000	142,000	170,000	131,741	109,778	108,869	-42%
Unique visitors to city council website <a href="http://www.exeter.gov.uk/visiting">www.exeter.gov.uk/visiting</a> Comment: No data available for 2007, 2008 and 2009 due to the City Council website stats package contract ceasing.	33,087	30,312	Not known	Not known	Not known	437,210	1221%
Unique visitors to Tourism Partnership website <a href="http://www.heartofdevon.com">www.heartofdevon.com</a> 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.	24,107	28,596	40,508	42,258	134,206	145,049	501%
Group bookings made through the Tourism Unit Comment: Group bookings, each often representing at least one visiting coach, have increased during the period above due to increased promotion of the Tourism Unit's facilities through the group booking service. The fall in 2009 and 2010 was primarily due to	334	363	445	500	486	425	27%

issues relating to coach drop-off facilities at Exeter Bus & Coach Station, which has now been resolved.

## APPENDIX 3

## Cambridge Economic Impact Model

## Economic impact of tourism within Exeter

	2005	2008	2009	% + / - from 2005
TOTAL ACTUAL jobs	18,160	18,704	21,703	19%
Source: Business register and employment survey				
Day visitor trips	1,494,000	1,611,000	1,568,000	4%
Day visitor expenditure	£67.8 million	£80.8 million	£79.5 million	17%
Overnight trips	399,000	369,000	360,000	* - 9%
Overnight trips expenditure	£82.9 million	£74.7 million	£71.6 million	* - 13%
Visits to friends & relatives	158,000	173,000	193,000	22%
Other tourism expenditure	£8.8 million	£9.4 million	£8.6 million	- 2%
Bed spaces	5,881	5,921	6703	14%
<b>TOTAL TOURISM EXPENDITURE</b>	<b>£159.5 million</b>	<b>£164.9 million</b>	<b>£159.7 million</b>	<b>0.1%</b>
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**  
**10 MARCH 2011**

**BRIEFING NOTE : PROPOSED HEART OF THE SOUTH WEST  
LOCAL ECONOMIC PARTNERSHIP**

**1. PURPOSE**

1.1 To provide a briefing note for Members on the current stage of development of the proposed Local Enterprise Partnership for Devon and Somerset, and seek Members comments on the issues raised by the Draft Prospectus.

**2. BACKGROUND**

2.1 The Government announced in June 2010 the abolition of the Regional Development Agencies (RDAs), the Regional Strategy and the Government Offices for the Region in England, with the intention that some of their current roles be taken over by new Local Economic Partnerships – LEPs.

2.2 The Government invited bids for the formation of the first round of LEPs in June 2010 for submission by 6 September 2010. Little guidance was given on their role until the White Paper on Local Growth, which was published on 28 October 2010, but even then there have been little prescription as to Government expectations.

2.3 The invitation to form LEPs was taken up by local authorities across the country, with proposals being submitted by partnerships led by the following in the South West:

i)	Cornwall County Council	approved
ii)	Devon County, Plymouth and Torbay Councils	rejected
iii)	Dorset, Poole and Bournemouth	rejected
iv)	Somerset County Council	rejected
v)	West of England (Bristol, South Gloucestershire, Bath and NE Somerset)	approved
vi)	East Devon and South Somerset District Councils	rejected
vii)	Gloucester County Council	rejected

2.4 In its bid, each prospective LEP had to demonstrate that it:-

- represents a Functional Economic Area, e.g. a city region or economic corridor
- has business and wider partnership engagement
- comprises of more than one upper tier authority

2.5 Not all approved LEP submissions comprised of more than one authority e.g. Cornwall, Cumbria and Lincolnshire. However, once approved, they have been told their membership can change.

- 2.6 LEPs and prospective bidders have more recently been given some indicators of their main roles and likely responsibilities:
- working with government to set out key investment priorities, including transport infrastructure and supporting or co-ordinating project delivery
  - co-ordinating proposals or bidding directly for the Regional Growth Fund
  - supporting high growth businesses
  - making representations on the development of national planning policy and ensuring business is involved in the development and consideration of strategic planning applications
  - strategic housing delivery including pooling and aligning funding
  - co-ordinating approaches to leveraging funding from the private sector
  - exploring opportunities for developing financial and non-financial incentives on renewable energy projects
  - potential management and lead responsibilities for a range of funding streams
- 2.7 Securing economic development is generally about encouraging enterprise, innovation and private sector investment and expansion. The aim for LEPs has to be to facilitate this expansion through promoting the conditions for growth that are appropriate and sustainable in particular localities. This is also about flexibility and progress through collaboration in other policy areas, including skills, housing, planning and transport.
- 2.8 LEPs are very much in their infancy and it is likely that it will take at least a year or two before they have the corporate arrangements, resources, and capacity to undertake these roles.
- 2.9 In order to assist LEPs to prepare their strategies and plan their programme of activity, the Government announced a specific fund in January 2011 on average providing up to £100,000 per LEP. As yet there are no other sources of funding to support the establishment and operation of LEPs, although some are being formed on the basis of amalgamating and re-organising existing organisations. The governance and organisational form of LEP's varies greatly.
- 2.10 Ministers have indicated that LEPs will need to rely on planning policies at national and local level. At national level the Government will be publishing a National Planning Policy Framework by 2012. Local development plans are prepared by local authorities for planning and regulations. However, in order to support a more integrated planning approach for the LEP area, it is proposed that local authorities will have a duty to co-operate placed on them in the Localisation Bill.
- 2.11 Following rejection of the original Devon proposal, a new proposal has been developed covering Devon and Somerset. Both County Councils, the two unitary councils of Plymouth and Torbay, and a range of private sector organisations have come together to draft a Prospectus which is attached and discussed below.

### **3. THE DEVON AND SOMERSET LEP PROPOSAL**

- 3.1 The attached proposal has been prepared by a joint private and public sector LEP Steering Group chaired by the Chief Executive of the Devon and

Cornwall Business Council. The Steering Group have presented the paper as very much an outline document to set the scene and secure initial support from Government. The detailed “business plan” and final governance arrangements are to be worked out following a “green light” from Government.

- 3.2 The preparation of the proposal and the recognition that the larger geography of Devon and Somerset combined provides a more coherent strategic approach is to be welcomed. The reference to there being key urban economic centres as drivers of economic growth and recovery is very important, although there appears to be a reluctance to name them specifically and the geography is referred to as Devon, Plymouth, Somerset and Torbay. Government has insisted on LEPs being business led, whilst this reference could be seen as portraying significant influence by the county and unitary councils minimising the relevance of other public sector organisations, particularly district councils with their “on the ground” planning and economic development roles, functions, investment and leadership.
- 3.3 The preferred geography for an LEP is that it should be built around functional economic areas; recognisable economies locally and regionally which easily relate to common understanding of business activity, which does not generally follow administrative boundaries. This approach is certainly welcomed, in that it enables the reality of the economic contribution and strategic opportunities they present to be more sensibly considered and the priorities for their development agreed and described at a higher strategic level. Identification of priorities at this level is important for presenting cases for securing significant investment in projects and skills/training which will not otherwise happen.
- 3.4 The draft is slightly confusing in referring to Devon and Somerset being a single functional economic area which downplays the strategic importance of the key urban economic drivers and their distinctive advantages and opportunities e.g Exeter as an acknowledged Growth Point with real potential for re-balancing its economy with knowledge based employment and the strength of some of its indigenous businesses. There is a danger in that the document could be too superficial and down beat in trying to cover the whole geography, too generally and primarily highlighting its difficulties rather than “shouting” about its opportunities.
- 3.5 The proposal pays little attention to the distinctive role that district councils bring with their track record of economic development and planning and delivery responsibilities. The importance of ensuring that the primary economic drivers and contributors, i.e. the key urban centred functional economic areas are represented on the LEP Board is a bone of contention, with representation currently being determined by upper tier authority and business representation.
- 3.6 The governance arrangements refer to District Council representation via an LEP Forum which would meet twice yearly with a whole range of other organisations. Through this limited level of engagement it is expected that the Forum would advise and scrutinise the LEP Board. There is no guarantee that probably one of the primary economic drivers in Somerset and Devon i.e. Exeter and its wider economy will be able to ensure its voice is heard or carry much influence at LEP Board level, particularly important in competing for limited resources in the current climate.

3.7 It would be sensible to agree that the members on a board should remain less than 20, that the four upper tier authorities warrant a seat each and that the LEP Board should be primarily business led, having at least 50% of the seats and there being a private sector chair. However it should be feasible, even after allowing for representation from higher and further education and the third sector, that it would be strategically advantageous to have a representative from each of the 6 or 7 functional economic areas that make up the real economic activity of Devon and Somerset. Exeter and its wider economy should have a seat on the main Board nominated by the economic partnership, which has the best “handle” on its local and strategic priorities. Each representative need not be from a district council but an appropriate individual with the skills and knowledge to act as the linch-pin between securing recognition of “local” priorities contributing to the achievement of higher level strategic priorities.

3.8 The tone of the proposal document is one which should excite interest and commitment from within the area as well as from those looking from outside in considering the areas suitability for investment. Although this is only a proposal it will be a public document presenting our sub-region’s visions and aspirations. It is generally portraying the whole area too negatively, instead of highlighting the positives and key objectives whilst seeking also to address its weaknesses. A more limited number of priorities should provide the focus of the proposal based around specific measurable objectives relating perhaps to the following:-

- capitalising on the strengths and real opportunities presented by the designated Growth Points
- supporting the development of the major investment in new nuclear facilities and any other major investments where there are real opportunities for individuals and businesses to benefit
- supporting and securing the delivery of the Local Investment Plans providing coherent and co-ordinated development plans and priorities for the area’s key functional economic areas
- securing real measurable improvements to transportation and communication infrastructure to improve the competitive position of the area e.g road, rail, air and broadband
- promoting investment in education and skills development which will support those employers and organisations which will have the greatest impact upon the economy

A lot of the priorities currently listed in the Prospectus would usually be seen in more localised economic development strategies

3.9 These and a number of other detailed drafting points have been conveyed to the LEP Steering Group in time for their consultation deadline of 25 February 2011. When the revised and final version is produced which is to be submitted to Government it will also be circulated to members of this Committee.

**4.0 RECOMMENDED that:**

- 4.1 Members comment on the issues raised by this briefing note on the Draft Prospectus for the proposed LEP for Devon and Somerset.

**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:-

Local Enterprise Partnership: Draft Prospectus, February 2011

This page is intentionally left blank

HEART OF THE SOUTH WEST

# Local Enterprise Partnership

Devon | Plymouth | Somerset | Torbay

# DRAFT PROSPECTUS

February 2011



# CONTENTS

Delivering growth and prosperity across Devon, Plymouth, Somerset and Torbay

<b>Executive summary</b>	4
<b>Why we are forming an Enterprise Partnership</b>	5
<b>Our ambition and agenda</b>	6
<b>Key Facts</b>	7
<b>Our priorities</b>	10
<b>Our proposed structure</b>	12
<b>Next 100 days</b>	15
<b>Endorsement</b>	17





This Prospectus sets out our proposal to create the right economic environment to help our businesses flourish and grow. It is a submission from the business community and public sector across Devon, Plymouth, Somerset and Torbay.

**Jim French**

**Chairman,** CBI South West

**Tim Jones**

**Chairman,**  
Devon and Cornwall Business Council

**John Hart**

**Leader,** Devon County Council

**Terry Slater**

**Regional Director,**  
Engineering Employer's Federation

**Sara Bond**

**Chairman,** Exeter Chamber of Commerce and Industry

**David Shepherd**

**Chairman,**  
Federation of Small Business, Devon

**Ian Dyer**

**Chairman,**  
Federation of Small Business, Somerset

**Simon Face,**

**Regional Director,** Institute of Directors

**Douglas Fletcher**

**Chairman,**  
Plymouth Chamber of Commerce and Industry

**Vivien Pengelly**

**Leader,**  
Plymouth City Council

**Sandra Wilson**

**Chair,** Somerset Chamber of Commerce and Industry

**Ken Maddock**

**Leader,**  
Somerset County Council

**Derek Philips**

**Chairman,**  
South West Chambers of Commerce and Industry

**Nick Bye**

**Elected Mayor,**  
Torbay

**Alan Archer**

**Chairman,**  
Torbay Business Forum

# EXECUTIVE SUMMARY

**The Heart of the South West Local Enterprise Partnership (LEP) has been formed under the leadership of the private sector supported by the local authorities from Devon, Plymouth, Somerset and Torbay to create a powerful economic alliance. Our objectives are to create new jobs, raise productivity levels and increase our average wages.**

With a diverse economy, our area has many strengths, including, outstanding expertise in low carbon energy generation (notably nuclear power and renewables), the defence sector, marine and maritime industries. We have an exceptional landscape and coastline, including two National Parks, providing an unrivalled tourism experience.

We also have two world class universities and excellent further education colleges helping to provide a skilled workforce and a growing knowledge base. Small and micro businesses make up a significant part of our business sector and demonstrate the depth of our entrepreneurial spirit.

Our economy does face a number of challenges however, in terms of lower than average wages, productivity levels and distance from market.

Our dispersed economic geography, with few, but important, urban centres increases our reliance on critical infrastructure and key services. Overcoming significant transport and logistic issues, as well as planning constraints is vital for businesses to thrive and attract new investment. Rapidly accelerating the roll out of superfast broadband is crucial to our future economic success. We have a high dependence on the public sector for employment so there is a very real need for our LEP to address the rebalancing of our economy.

Harnessing the expertise from across the private and public sector in our LEP will create a focused and effective strategic body that will tackle these issues. We will work in tandem with our partners, other LEPs and Government to achieve the best for businesses and residents of Devon, Plymouth, Somerset and Torbay.

Our Next 100 Days of activity is outlined on pages 15 and 16.

# WHY WE ARE FORMING A LOCAL ENTERPRISE PARTNERSHIP

**A functional economic area.** Devon and Somerset is a coherent economic area that lends itself to the formation of a LEP - strategic in scale, yet closely connected. The area shares many common economic characteristics: an economy with a significant proportion of small businesses, prevailing sectors include agriculture, tourism, marine, defence, aerospace, advanced engineering and low carbon energy generation. The area includes many common challenges including poor connectivity, low earnings, 'hot spots' of high public sector dependency and low business productivity. It has an interlocking economic geography of cities, key towns and rural areas.

**Partnership Commitment.** Partners across our private and public sectors are committed to building together an influential and effective LEP. In addition to business organisations, social enterprises and local authorities with a proven track record in economic development and regeneration, we have major international businesses, two outstanding universities and a high performing further education sector, who will each contribute to shaping the economic future of our area.

**Policy commitment.** We welcome and endorse the Government's commitments to localism, private sector led growth and recovery to rebalance the economy. We have the ambition to take on lead roles nationally in aspects of economic development where we can share our particular expertise, such as in low carbon energy generation.

**Shared priorities.** We have agreed common priorities that will define the agenda for our LEP. These include low carbon energy generation, including nuclear power, a drive for improved connectivity, including accelerated rollout of superfast broadband and a common need to grow private sector business activity, productivity, profitability and employment.

**At the Heart of the South West.** We are outward looking and will work with neighbouring LEPs, including Cornwall and the West of England on relevant shared issues, such as influencing EU policy and funding programmes. We sit at the heart of the south west. Our urban centres are vital to the economic future of the whole south west: linked to, and supported by our network of towns and rural communities, which are so typical of this wider area.

# OUR AMBITIONS AND AGENDA

**We will lead the development of a dynamic, profitable and sustainable economy across our area. We believe we have the potential and opportunity to play a stronger role in the national economy, supporting UK growth and private sector-led recovery. We will provide the strategic leadership to achieve:**

- Increased business growth and productivity, improving business profitability and competitiveness on the local, national and global stage.
- Higher average earnings and better employment opportunities for local people.
- A rebalanced economy reducing our dependence on public sector employment
- A more resilient economy, diversifying the economy beyond sectors with limited future growth potential focusing on a range of high growth sectors.
- A transition to a higher knowledge-based, low carbon economy.

**We aim to achieve these outcomes by:**

- Building on our many existing strengths in research development and manufacturing in key business sectors such as marine, aerospace and photonics, world-class educational institutions and our environmental assets.
- A focused approach to the priorities which will drive economic transformation across our area, including ICT connectivity, improvement of skills, and the development of low carbon energy sectors.

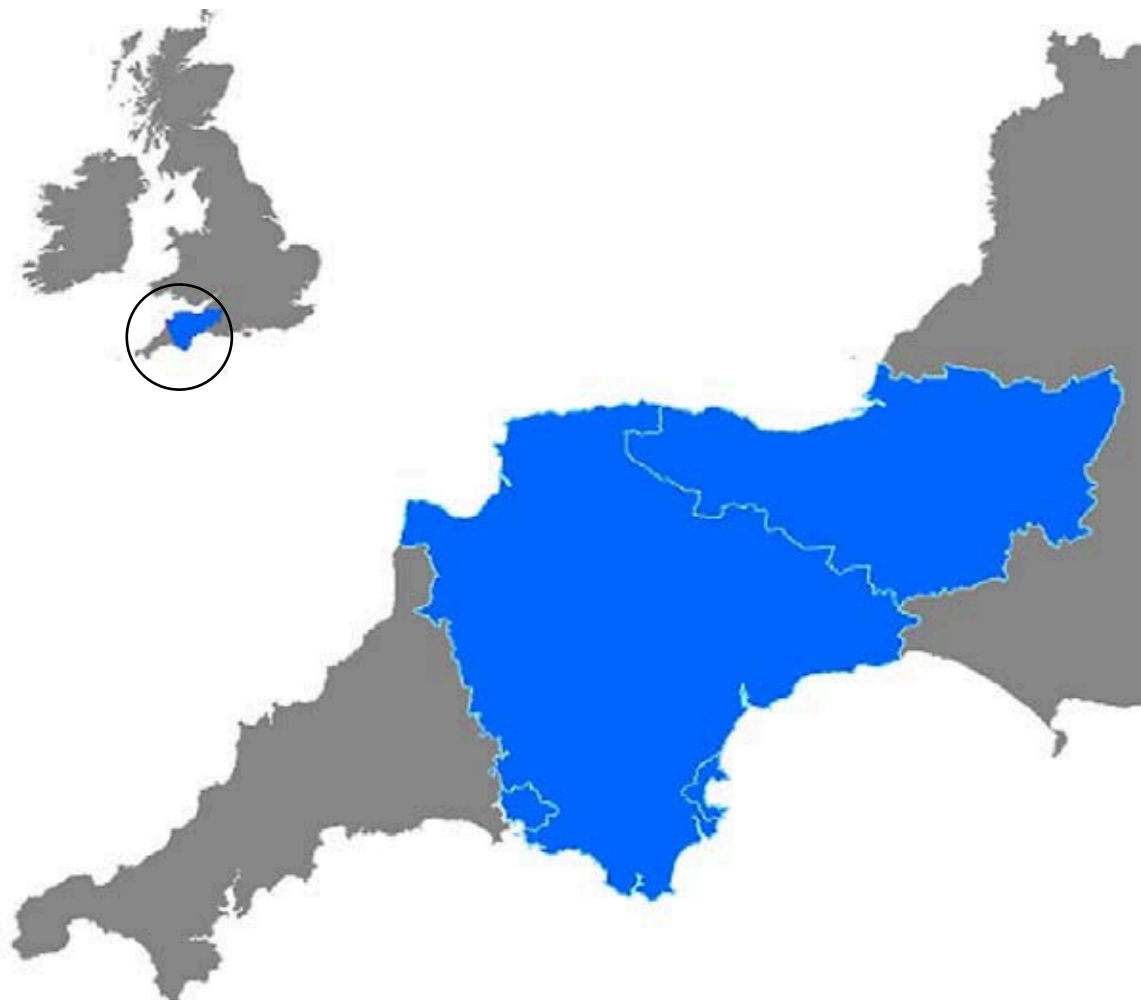
We will harness the potential of our key urban economic centres as drivers of economic growth and recovery, building and strengthening the links between these centres and the surrounding market towns and rural economy that characterise our area. Our LEP will be truly business-led, operating at a strategic level and with the efficiency that modern business demands.

We have a real appetite for change and an ambition to agree the flexibilities and new ways of working with central Government so we can transform the economic fortune of our area.

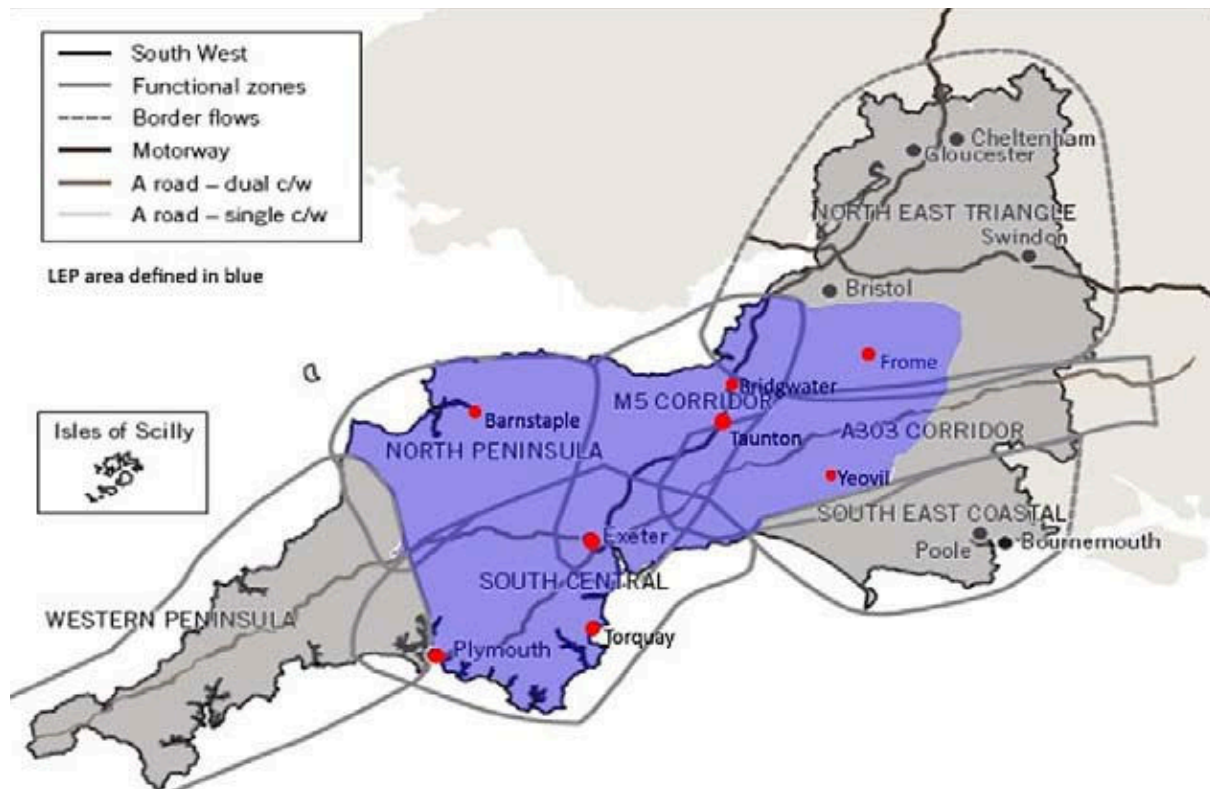
# KEY FACTS

**Covering an area of 10,158 square kilometres, home to more than 1.6 million people, and with an output of £25 billion per year, our area is a significant economic entity.**

More than 10% of our workforce is self employed and we have 63,500 active enterprises based here. We host a number of internationally recognised businesses such as Astra Zeneca, Augusta Westland, Flybe Best Short-Haul Airline 2011, Honeywell Aerospace, Babcock Marine, the Meteorological Office, Spirent, Princess Yachts, Yeo Valley Organics, EDF Energy and IBM, to name but a few.



## Our Economic Geography



We recognise that our functional economic areas stretch beyond our geographical footprint and there are several functional zones within our area, reflecting the nature of our main transport corridors. Developing our understanding of our economic geography will influence and support our strategy development and delivery mechanisms.

Our productivity is significantly below the national average, however. Output per worker for England is over £45,000 but for our economy it is less than £32,000. Our wages are more than 12% below the national average. Distance to market is a significant issue for our economy. For instance, for every 100 miles from London, there is a 0.7% decrease in productivity for key firms. This fact illustrates the critical importance of providing better connections for our area. (Source Boddy et al; Meeting the Productivity Challenge 2: Update 2006).

We have a skilled workforce of some 840,200 economically active people. We are also highly dependent on public sector employment. Some 33% of our workforce is employed in public sector jobs, increasing to 40% in our urban areas.

Our population is increasing above the national average and the majority of this growth is in the over 60's, placing challenges on us in terms of service delivery, whilst also providing business opportunities.

## Our vital statistics at a glance:

	<b>Our Area</b>	<b>National Average</b>
<b>Job Creation</b>		
Public sector employment – Torbay	39.30%	30.70% (UK)
Public sector employment – Taunton	34.90%	30.70% (UK)
Public sector employment – Plymouth	40.10%	30.70% (UK)
Public sector employment – Exeter	39.60%	30.70% (UK)
% of people employed in firms employing over 200 people	25.60%	31.60%
Percentage of people employed in firms employing less than 10 people	24.90%	21.0%
Unemployment Rates – December 2010	2.40%	3.60% (UK)
<b>Productivity</b>		
Output per worker	£32,000	£45,000 (UK)
% premises not receiving 2 Mbps	17.0%	11.0%
Number of people per square kilometre	162	398 (England)
<b>Earnings</b>		
Weekly Wages	£355.40	£405.70 (England)
Gross disposable household income	£13,520	£14,890 (UK)

**These statistics have been obtained from the following sources:**

ONS – IDBR - 2009

ONS Annual Population Survey – Workplace Analysis – July 2009- Jul 2010

ONS Annual Business Inquiry – Workplace Analysis – 2008

ONS Nomis (Job Centre Plus) – December 2010

South West Regional Accounts 2008

ONS – Total GVA England 2008 (Output per worker figure based on ONS Employment Rate – Numerator Jan 2008 - Dec 2008)

Analyses Mason – Next Generation Access

Geographic Areas – Office for National Statistics

ONS Annual Survey of Hours and Earnings – Workplace Analysis – 2010

ONS Gross Disposable Household Income (GDHI) per head at current basic prices - 2008

# OUR PRIORITIES

The priorities for our LEP are based on our agenda for economic growth and employment. They are to:

## Job Creation

- Secure growth in our key urban centres and facilitate job creation across the heart of the South West, ensuring that market towns and rural areas are closely linked to urban growth and also economically successful in their own right.
- Provide support to strong sectors across the area such as tourism, food and drink, and land-based industries to grow employment opportunities through improving business profitability and productivity.
- Encourage investment in potential growth sectors such as marine technologies and low carbon energy generation (notably nuclear power and renewables) that can create and sustain new private sector jobs, rebalancing our economy away from an over-reliance on the public sector. We will give specific emphasis to the marine technologies and low carbon energy sectors.
- Create the conditions for high levels of business start-ups and increase the numbers of jobs in expanding SMEs.

## Productivity

- Coordinate and secure improvements to infrastructure, including superfast broadband and electrification of our rail network, key road improvements and housing, which underpins the success and prosperity of our businesses and communities.
- Promote expected Government changes to the planning system in order to allow businesses to flourish and expand.
- Extend, strengthen and accelerate the transfer of knowledge and innovation from our outstanding universities and educational institutions through to businesses. Particular emphasis will be on encouraging stronger links between our knowledge base and SMEs.
- To enable businesses, and especially SMEs, to deliver higher levels of productivity by improving the economic environment in which they operate. This includes facilitating effective business mentoring mechanisms, promoting business networks, enabling access to finance, supporting skills development and exploring international markets and export opportunities.
- Influence and secure UK and EU funding streams to increase our levels of productivity and deliver our priorities.



## Earnings

- Ensure our workforce is equipped with skills that businesses need, and support the development and delivery of the right skills for our potential growth sectors.
- Achieve higher levels of earnings by improving skills and educational attainment levels, giving individuals across all our communities more choice and access to a wider range of employment opportunities.
- Improve access to higher education for individuals across our area
- Attract inward private sector investment from high growth sectors to encourage higher paid quality jobs.
- Encourage increased levels of indigenous investment to improve the quality and pay levels of existing jobs.

Once the LEP shadow board has been established, the actions and outcomes to achieve each priority will be set out. Examples of the type of outcomes that the shadow board could decide to agree upon are as follows:

## Job Creation

- Sustain a growth agenda which allows businesses to flourish creating circa 50,000 jobs by 2030.
- Create a minimum of 5000 new private businesses by 2030.
- Restructure the economy to rebalance the economy away from public sector employment to private sector led prosperity

## Productivity

- Secure growth in key sectors which contribute to an overall uplift in GVA and bring this in line with the national average by 2015.
- Achieve 85% geographical coverage of superfast broadband across the Heart of the South West by 2018.
- Work closely with the Government with a willingness to be an exemplar area for activities such as innovation and technology transfer and marine technologies.
- Achieve a powerful voice for Devon, Plymouth, Somerset and Torbay and secure new investment for our area

## Earnings

- Bring our average wages in line with the national average by 2015

# OUR PROPOSED STRUCTURE

**The detailed governance arrangements for our LEP will be determined in the coming months, in consultation with a wide range of stakeholders. The arrangements will be consistent with good corporate governance and ensure that:**

- Stakeholders understand the vision and expected outcomes of the LEP
- There is transparency in the decision making processes
- Business is at the heart of strategic decisions
- There is open and inclusive dialogue with all stakeholders

It is expected that the LEP board will be no more than 15 people with a balance of business and public sector, with the chair coming from the private sector. The board will comprise the following:

- Business representation
- Devon County Council
- Higher and Further Education
- Plymouth City Council
- Somerset County Council
- Torbay Council

Business representation will reflect that of the LEP area, in terms of sector and size distribution, and will also lead on shaping the outcomes required around enterprise and skills.

Underneath the LEP board, it is recognised that there are existing strategic and delivery structures that apply across the area. The partnership provides an opportunity for aligning and rationalising these structures to ensure that the economic development structures are efficient and effective. The framework we are proposing will assist effective delivery at an appropriate local level, developing delivery arrangements consistent with functional economic geographies rather than administrative boundaries. This will also include working with other LEPs on shared priorities.

Our proposal is for a lean, focused and business-led partnership that will drive forward our economic growth ambitions through strong leadership and local accountability. Sharing precious resources and saving money are underlying themes to our approach. Recruitment to the board will be undertaken in an open and transparent manner.

The proposed governance structure is set out on page 14.

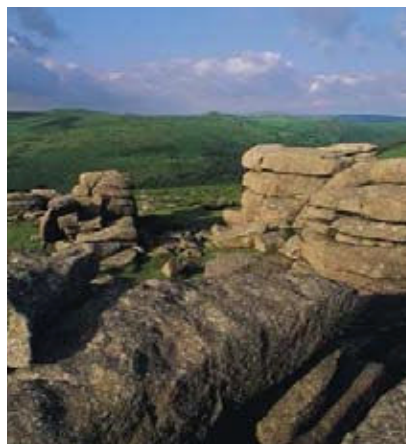
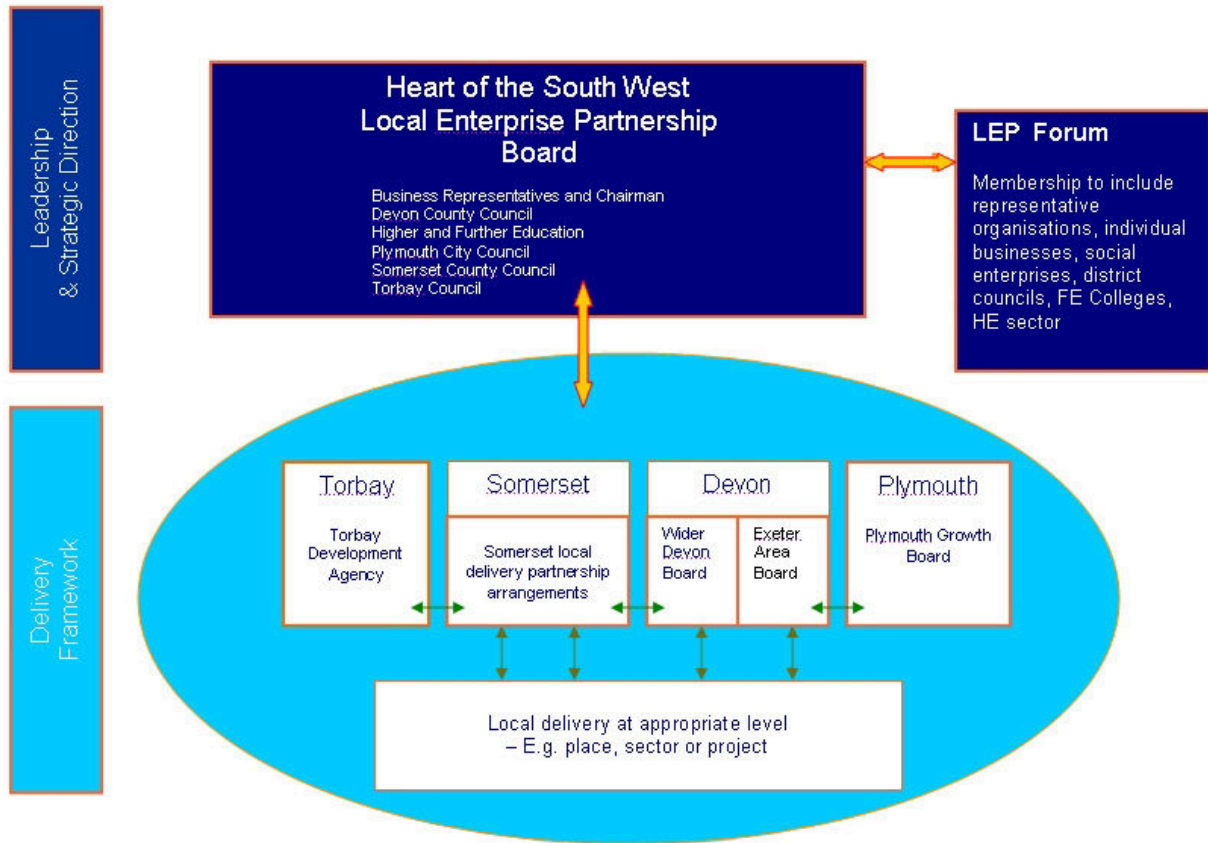
To support the main Board, and recognising that to be successful, the LEP needs to be open to everyone, we will establish an LEP Forum, open to all businesses, organisations, agencies and local authorities. We would expect each of these to form any appropriate grouping. The role of the forum will be to examine and monitor the work of the LEP, and hold the LEP to account. It will meet twice yearly and through its scrutiny role, support and advise the main Board, providing a way for all businesses and stakeholders to engage with the LEP. This arrangement ensures clear communication with the business community, their support agencies and the public sector and promotes networking and collaboration.

In addition to our outline plan, we anticipate that task and finish groups as appropriate may be established to support the main Board. The need for this type of arrangement, and the exact size, number, membership and roles for such groups will be developed over the next few months.

The governance proposal assumes that the LEP is acting as client or commissioner and is not involved in delivery. It also recognises that the Councils or a lead Council will assume the commissioning responsibility and/or accountable body status where required.

The LEP Steering Group will recruit a shadow board which will act as the LEP until the Partnership is formally established and will oversee the activities outlined in the Next 100 Days section on pages 16 and 17. In terms of governance these activities will include:

- Forming the LEP Forum
- Determining relationships between the LEP and
  - District Councils
  - Employment and Skills Boards
  - Further and Higher Education
  - Growth boards
  - Tourism sector
  - Other LEPs
- Determining future secretariat support
- Developing detailed terms of reference for the LEP
- Developing operational procedures for the LEP and the Forum



# NEXT 100 DAYS

**We recognise that we are only at the start of a longer journey and that there are a number of critical actions to complete over the next few months. We need to have a number of important conversations with a range of stakeholders to help us launch our LEP. We are committed to:**

## **Governance and partnership development**

- Establishing the appointment processes for the recruitment of the Shadow Board
- Recruiting and forming a Shadow Board
- Creating and launching an LEP Forum for Devon, Plymouth, Somerset and Torbay.
- Establishing the appointment processes for the recruitment of the LEP Board
- Recruiting and appointing the LEP Board.
- Determining our governance arrangements and the relationship between the LEP and Delivery Organisations, the LEP Forum, District Councils, HE and FE sectors.
- Determining the balance between pan-area, sector-led and local delivery to achieve the most efficient, effective and appropriate arrangements.

## **Central Government Negotiation**

- Attending a National LEP Meeting and Conference to represent our businesses and benefit from an exchange of best practice
- Exploring joint working arrangements and opportunities with other LEPs, and as part of this the creation of a Nuclear Enterprise Partnership, linking to other areas with new nuclear power developments
- Maintaining an ongoing dialogue with appropriate Government Departments and their agencies to secure an orderly transition from a regional structure to a local structure
- Scoping and submitting a bid into the LEP capacity fund

## **Business Planning**

- Establishing a shared and common evidence base, merging the current local economic assessments for our area and adding additional private sector statistics and information to underpin our strategy development and formulation.
- Developing a response to the anticipated BDUK funding opportunity to support the roll out of superfast broadband across our LEP

- Developing a business plan and strategy for growth, which will build on the priorities set out in this Prospectus and existing strategies within the Heart of the South West, to focus our resources on delivering economic prosperity for our area.
- Reviewing applications for future rounds of the Regional Growth Fund.

### **Communications and Joint Working**

- Establishing a communications plan and actively sharing updates and information with all stakeholders on the development of the LEP
- Engaging with District Authorities and existing delivery organisations
- Establishing joint working arrangements with Cornwall and the Isles of Scilly LEP and West of England LEP, and any other emerging neighbouring LEPs. A priority area of common interest is engaging with the EU and influencing new funding programmes.
- Exploring joint working with LEPs and newly forming LEPs across the country on common issues, such as the rural economy and the defence sector.



# ENDORSEMENT

This Prospectus outlines the consensus of the business community on the best approach to achieving the economic ambitions for our area and the contribution we can make to the national economy. It is also fully supported by the public sector.

The Prospectus is endorsed by the following organisations and individuals:

## **Businesses**

## **Business Organisations**

## **MPs**

## **Higher Education and Further Education**

## **Local Authorities**



This page is intentionally left blank



## EXETER CITY COUNCIL

### SCRUTINY COMMITTEE - ECONOMY 10 MARCH 2011

#### ECONOMY SCRUTINY STEWARDSHIP TO DECEMBER 2010

#### 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 2010/11.

#### 2. INFORMATION

- 2.1 This report highlights any differences by management unit to the outturn forecast for nine months of the financial year up to 31 December 2010 compared with the approved annual budget.

- 2.2 During this period the total of the variances indicate that the overall net expenditure for this committee will decrease by £478,590. This includes supplementary budgets of £21,610. Notional charges in respect of FRS17 Pension Costs have been deducted from this to provide the total budget for management accounting purposes.

- 2.3 The budgets for 2010/11 included a provision of 0.7% for the pay award. The current position is that Local Government Employers have not offered a pay award for the current year.

- 2.4 The main variations by management unit are detailed below:

	£
<b>2010-2011 REVISED ESTIMATE Less NOTIONAL CHARGES</b>	<b>781,850</b>

<b>83A1 PROPERTY &amp; ESTATES SERVICES</b>	(33,830)
---	----------

Property income is lower than expected at various properties due to a general increase in void periods and downward pressures on rent levels across the portfolio.

Additional expenditure is anticipated on repairs and utilities at commercial properties, most of this expenditure will be recharged to the tenants. A saving is expected on NNDR and empty property charges.

The under recovery of income has been offset by a saving on employment costs due to the revised management structure within Estates Services.

Income from Land charges is anticipated to fall short of the budgeted figure due to not being able to charge for Personal Searches for part of the year.

<b>83A2 TRANSPORT/CONCESSIONARY FARES</b>	(12,490)
---	----------

A saving is expected on the contract for maintenance of bus shelters; this saving will be partially offset by additional expenditure required in respect of the concessionary fares scheme for 16 to 18 year olds.

<b>83A3</b>	<b>CAR PARKING</b>	(41,240)
	<p>A saving on employee costs will be made due to a number of vacant posts within the Management Unit. Additional savings are expected on the budget in respect of security at the Matford Park &amp; Ride Car Park.</p> <p>Income from off street car park fees is above the budgeted income figure as at 30 December 2010. Additional income is expected in respect of rental of car park spaces; this additional income will be partially offset by income from Car Park Investment properties being less than budgeted.</p> <p>The utilities budget and the National Non Domestic rates budget will be exceeded.</p> <p>Additional expenditure is anticipated in respect of equipment tools and materials, pay and display equipment and printing.</p>	
<b>83A4</b>	<b>ECONOMIC DEVELOPMENT</b>	(£3,110)
	<p>Savings will be made on pay, superannuation and staff training budgets.</p>	
<b>83A5</b>	<b>FESTIVALS &amp; EVENTS</b>	3,400
	<p>An overspend is expected on the Summer Festival primarily due to unanticipated costs for one of the free events.</p>	
<b>83A6</b>	<b>TOURISM</b>	(16,880)
	<p>A saving on employee costs will be made due to a member of staff reducing hours.</p> <p>Expenditure in respect of rent and rates will be less than the annual budget. The budget in respect of attraction tickets will be exceeded; the additional expenditure will be recovered through the sale of the tickets to customers.</p> <p>Additional income will be received in respect of works undertaken for external organisations</p>	
<b>83A8</b>	<b>DISTRICT HIGHWAYS &amp; FOOTPATHS</b>	(22,650)
	<p>Savings are anticipated on electricity costs in respect of Street Lighting</p> <p>The recharge from the Engineering and Construction team for works in this area will be less than the budget</p>	
<b>83A9</b>	<b>BUILDING CONTROL</b>	(16,590)
	<p>Savings will be made on the employees, car mileage allowances and essential user lump sums budgets</p>	
<b>83B1</b>	<b>LAND DRAINAGE</b>	5,050
	<p>The recharge from the Engineering and Construction team for works in this area is expected to exceed the budget</p>	

<b>83B2</b>	<b>ADMINISTRATION SERVICE</b> Employment costs are expected to be less than the budget with savings anticipated on salaries and superannuation.	(39,620)
<b>83B3</b>	<b>DIRECTOR ECONOMY &amp; DEVELOPMENT</b> There will be a saving made on the employment costs within the management unit.	(73,290)
<b>83B4</b>	<b>ENGINEERING &amp; CONSTRUCTION</b> A saving will be made on employee budgets due to a number of vacant posts in the management unit.  Additionally, savings are anticipated on Software licences and transport costs.  Income budgets within the management unit are expected to fall short of the annual budget; mainly due to the loss of work in respect of the Pell Frischmann contract and work undertaken on Capital schemes	7,990
<b>83B5</b>	<b>PLANNING</b> It is anticipated that planning fee income will be below budgeted levels by the end of the year; this will be partially offset by additional income from legal costs and pre application charges.  A saving will be made on employee budgets due to vacancies within the management unit; the expenditure in respect of car mileage allowances and essential user lump sum will be less than the budgeted figures.  A significant part of the planning expenditure is funded by Planning Delivery Grant. No grant will be received in 2010/11. However the expenditure in this financial year will be funded from the earmarked reserve at the year end.	(80,490)
<b>83B7</b>	<b>ARCHAEOLOGICAL FIELD UNIT</b> Work in Progress brought forward from the previous financial year will be written off in the year as the amounts are no longer able to be recovered.  The expenditure in respect of document archiving will be less than the allocated annual budget, this budget will be needed and a request to carry forward the unspent budget will be made at year end.	27,280
<b>83B9</b>	<b>MARKETS &amp; HALLS</b> A saving will be made on salary costs due to the revised management structure within Estates Services, this will be partially offset by an expected overspend on casual staffing due to the increased number of events staged.  Income at the Matford Centre is expected to exceed the budget due to an increase in livestock sales, car storage, and income from business unit leases.	(144,000)

Sunday Markets income is expected to exceed the budgeted figure; this additional income is partially offset by City Centre Market and Car Auction income falling short of the budgeted figures.

Cleansing charges in respect of the Matford Centre will exceed the budget due to the closure of the waste transfer station.

Exeter Corn Exchange income is anticipated to be higher than budgeted due to increased box office income and an increased number of events and lettings together with other income associated with these events.

**83C1 WATERWAYS** (38,060)

An overspend is expected on various Canal maintenance budgets.

Works undertaken by the Engineering and Construction team on the Canal and River Exe will result in an overspend on the budgets in this management unit.

This additional expenditure will be partially offset by additional income in respect of Canal Licences and various other income budgets within the management unit.

The budget in respect of the Harbour Revision Order has not been spent in the year. The budget is required, and a request to carry the unspent budget forward to the next financial year will be made.

**2010-2011 EXPECTED FINAL OUTTURN** 303,260

**ADDITIONAL UNBUDGETED RESERVE TRANSFERS** 78,000

**EXPECTED TOTAL NET EXPENDITURE** 381,260

**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 2010 TO DECEMBER 2010**

<b>ANNUAL BUDGET</b>	<b>SUPPLEMENTARY BUDGET</b>	<b>NOTIONAL CHARGES***</b>	<b>REVISED BUDGET</b>	<b>CODE</b>		<b>CURRENT OUTTURN FORECAST</b>	<b>FORECAST VARIANCE</b>
<b>£</b>	<b>£</b>		<b>£</b>			<b>£</b>	<b>£</b>
(2,701,520)	0	(18,440)	(2,683,080)	83A1	PROPERTY & ESTATES SERVICES	(2,716,910)	(33,830)
1,797,110	0		1,797,110	83A2	TRANSPORTATION/CONCESSIONARY FARES	1,784,620	(12,490)
(2,992,530)	0	(28,510)	(2,964,020)	83A3	CAR PARKING	(3,005,260)	(41,240)
782,490	0	(14,010)	796,500	83A4	ECONOMIC DEVELOPMENT	793,390	(3,110)
281,010	0	(3,610)	284,620	83A5	FESTIVALS & EVENTS	288,020	3,400
529,240	0	(9,380)	538,620	83A6	TOURIST INFORMATION	521,740	(16,880)
26,000	0		26,000	83A7	ARCHAEOLOGY IN EXETER	26,000	0
387,930	0	0	387,930	83A8	DISTRICT HIGHWAYS & FOOTPATHS	365,280	(22,650)
72,040	0	(14,800)	86,840	83A9	BUILDING CONTROL	70,250	(16,590)
120,540	0	0	120,540	83B1	LAND DRAINAGE	125,590	5,050
0	0	(4,510)	4,510	83B2	ADMINISTRATION SERVICE	(35,110)	(39,620)
0	0	(6,300)	6,300	83B3	DIRECTOR ECONOMY & DEVELOPMENT	(66,990)	(73,290)
0	0	(12,790)	12,790	83B4	ENGINEERING & CONSTRUCTION SERVICES	20,780	7,990
1,577,450	0	(46,740)	1,624,190	83B5	PLANNING SERVICES	1,543,700	(80,490)
92,480	6,300	0	98,780	83B6	CONSERVATION	98,720	(60)
108,000	0	(25,330)	133,330	83B7	ARCHAEOLOGICAL FIELD UNIT	160,610	27,280
0	0		0	83B8	MAJOR PROJECTS	0	0
82,760	15,310	(10,400)	108,470	83B9	MARKETS & HALLS	(35,530)	(144,000)
396,570	0	(5,850)	402,420	83C1	WATERWAYS	364,360	(38,060)
0							
<b>559,570</b>	<b>21,610</b>	<b>(200,670)</b>	<b>781,850</b>		<b>NET EXPENDITURE</b>	<b>303,260</b>	<b>(478,590)</b>

\*\*\* Includes:

FRS17 Pension Costs

**Reserve Transfers**

Additional unbudgeted transfer to Local Development Framework Reserve	36,000
Additional unbudgeted transfer to Planning Delivery Reserve	56,500
Transfer from LABGI Reserve	(14,500)

**OVERALL FORECAST EXPENDITURE FOR THE YEAR AFTER MOVEMENTS TO/FROM RESERVES** **381,260**

This page is intentionally left blank

By virtue of paragraph(s) 1, 2 of Part 1 of Schedule 12A of the Local Government Act 1972.

Document is Restricted

This page is intentionally left blank



By virtue of paragraph(s) 1, 2 of Part 1 of Schedule 12A  
of the Local Government Act 1972.

Document is Restricted

This page is intentionally left blank

By virtue of paragraph(s) 1, 2 of Part 1 of Schedule 12A  
of the Local Government Act 1972.

Document is Restricted

This page is intentionally left blank

By virtue of paragraph(s) 1, 2 of Part 1 of Schedule 12A  
of the Local Government Act 1972.

Document is Restricted

This page is intentionally left blank