

SCRUTINY COMMITTEE - ECONOMY

31 May 2012

Present:

Councillor Crow (Chair)

Councillors Bialyk, Bull, Choules, Leadbetter, Mottram, Pearson, Prowse, Robson and Wardle

Apologies:

Councillors Brock, Crew and Lyons

Also present:

Strategic Director (KH), Strategic Director (MP), Assistant Director Economy, Principal Economic Development Officer and Member Services Officer (SLS)

In attendance:

Councillor Rosie Denham - Portfolio Holder for Economy and Tourism
Councillor Rachel Sutton - Portfolio Holder for Sustainable Development and Transport

Sally Little - Job Centre Plus
Janet Sinclair - Job Centre Plus
Ian Hatt - Exeter College

20 MINUTES

The minutes of the meeting held on 8 March 2012 were taken as read, and signed by the Chair as correct.

21 DECLARATIONS OF INTEREST

The following personal interests were declared:-

COUNCILLOR	MINUTE
Councillor Choules	22 (employee of Exeter University)
Councillor Prowse	22 (student landlord)
Councillor Pearson	23 (employee at the Exeter Phoenix)
Councillor Prowse	24 (is a volunteer and a family member works in a local charity shop)
Councillor Wardle	24 (Member of Exeter Civic Society and the Devonshire Association)
Councillor Prowse	28 and 29 (Member of Devon County Council)
Councillor Bull	29 (Member of Devon County Council's Highways and Traffic Orders Committee)

22 **QUESTIONS FROM MEMBERS OF THE PUBLIC UNDER STANDING ORDER 19**

Councillor Choules declared a personal interest as an employee of Exeter University. Councillor Prowse declared a personal interest as a student landlord.

In accordance with Standing Order No. 19, a question from a member of the public, Mr David Knowles was put, in respect of issues raised by the 20% limit of Houses in Multiple Occupation, to which the Portfolio Holder for Sustainable Development and Transport responded. A copy of the question had been circulated to Members and was made available at the meeting. The question and the reply from the Portfolio Holder (in italics) are appended to the minutes.

Mr Knowles responded to the points raised.

Scrutiny Committee - Economy requested that a report to consider the issues raised by the question relating to the Council's Policy for the Threshold of Houses in Multiple Occupation be presented at a forthcoming meeting of the Planning Member Working Group.

23 **PORTFOLIO HOLDERS TO PRESENT THEIR PRIORITIES FOR THE FORTHCOMING YEAR**

Councillor Pearson declared a personal interest as an employee of the Exeter Phoenix.

Councillor Sutton presented the following priorities within the Sustainable Development and Transport Portfolio for 2012/13. A copy of the report is attached as an appendix to the minutes.

The following responses were given to Members' questions: -

- The enhancement of Central Station had progressed significantly and the City Council's contribution had been added to that made by Network Rail and Devon County Council. That element of the project had now been signed off.
- Work had been undertaken on behalf of a number of comparator authorities to ensure that an appropriate level of the Communities Infrastructure Levy (CIL) had been set. If the Levy was set too high, that could discourage house builders or if too low, insufficient funds would be available to deliver the infrastructure needed. Where possible the benefits of CIL would be kept local, though a certain level would go to Devon County Council to deliver local infrastructure such as roads and schools.
- The City Council was mindful of the need to encourage developers to employ local people, particularly on larger projects. Although, many of the volume house builders were nationally based, they had regional offices which employed local people, and local firms were often involved in some capacity. Many of these companies, as well as the City Council, promoted apprenticeship schemes.
- A web site had been developed though the Exeter and Heart of Devon Growth Board and the Portfolio Holder for Sustainable Development and Transport would encourage the details of procurement to be included on the website, so that local people could also access the necessary information about forthcoming projects.

- The importance of ensuring that planned play areas included in new developments were in place as soon as houses were occupied, as well as the appropriate maintenance, was acknowledged. A suggestion that the developers should be required to provide these facilities before being able to start another development would be unrealistic to enforce.
- The significance of an active Park and Ride on the south side of the city was acknowledged.

Councillor Denham presented the following priorities within the Economy and Tourism Portfolio for 2012/13. A copy of the report is attached as an appendix to the minutes.

The following responses were given to Members' questions and comments:-

- A more targeted business support approach for the start-up of businesses made best use of a limited resource. There was additional support through coordinated activities at Exeter University's Innovation Centre to reach as many people as possible. The Assistant Director Economy added that whilst he accepted the Member's comments on widening the support, the thrust of the work remained to support new businesses during the vulnerable first few months of their new business.
- The City Council's commitment to progress apprenticeship schemes was acknowledged and every practical effort would be made to develop this further.

A response would be made to a Member who had enquired about the provision of super fast broadband across the city.

Councillor Denham wished to place on record the thanks and appreciation of Scrutiny Committee –Economy for the hard work by the Festival and Events Manager and her team during the Olympic torch celebrations. The event had been very successful and had showcased the city to a wide audience.

Scrutiny Committee – Economy noted the achievements and priorities presented.

24 **BUS AND COACH STATION AREA DEVELOPMENT PRINCIPLES**

Councillor Prowse declared a personal interest as a volunteer and as a family member was employed in a local charity shop. Councillor Wardle declared an interest as a member of the Exeter Civic Society and the Devonshire Association.

The Strategic Director (KH) referred to the previous approval of the draft Development Principles for a public engagement exercise. The report considered the responses received, and now sought approval for proposed changes to the document, as well as the endorsement of the amended document for development management purposes. The proposed principles were set out in Section 8 of the report and Members were advised that there would be other opportunities to consider the future development of the Bus and Coach Station Development,

The Development Principles had been drawn up to guide preparation of a potential development scheme and potential planning application for this area by a prospective

developer, allowing a degree of flexibility whilst ensuring that key principles would be delivered. The Strategic Director (KH) confirmed that the 'principle' offered a clear statement regarding the detail, but that any planning application would ultimately be considered by Full Council.

Members were supportive of the forthcoming development and the proposed amendments to the main principles of development. A Member welcomed the proposed mix of both retail and leisure use. It was requested that consideration be given to ensuring there was adequate parking or stopping off facilities for visiting coaches.

Scrutiny Committee – Economy endorsed the contents of the report and supported Executive approval of the proposed response to the public consultation and the amendment to the Bus and Coach Station Development Principles as detailed in Section 8 of the circulated report.

(Report circulated)

25 **APPOINTMENT OF CHAIR**

It was agreed that Councillor Prowse act as Chair for the remainder of this meeting of the Scrutiny Committee – Economy, following the departure of the appointed Chair, Councillor Crow.

26 **PLACE MARKETING STRATEGY - EXETER ECONOMY 2012 - 2016**

The Assistant Director Economy presented the report which contained a draft of the Place Marketing Strategy. An outline of the proposal to proactively market Exeter, was considered at the September meeting of Scrutiny Committee - Economy. A copy of the draft Strategy which had subsequently been prepared was circulated with the report.

The Council will formally consult with the business community and key stakeholders to seek their views and commitment to deliver the Strategy. Following a period of consultation, a final Strategy will be presented to the September meeting of the Scrutiny Committee - Economy.

Scrutiny Committee – Economy supported the proposed priorities and approach of the draft Place Marketing Strategy.

(Report circulated)

27 **UNEMPLOYMENT IN EXETER**

The Assistant Director Economy presented a report on the level of unemployment and the nature of support available to help people back into work in Exeter. The report included a snapshot of employment trends, an analysis of Job Seekers Allowance claimants and detailed the range of activities carried out through partnership working with key agencies. A presentation on addressing unemployment was made by Sally Little, Devon Senior Operational Partnership Manager, Janet Sinclair, Devon Partnership Manager from Job Centre Plus and Ian Hatt, Assistant Principal from Exeter College.

Job Centre Plus had a targeted approach to reducing unemployment, using contract providers offering practical help with obtaining employment. They also run a range of pre-work programme measures as part of the Get Britain Working Initiative. They

hope to develop their partnership working to further influence major employers, as well as working more closely with the City Council. Exeter College have been working to address unemployment, including a long term commitment to develop apprenticeships and initiatives to help NEET learners (students not in education, employment or training). Ian Hatt welcomed any opportunity to develop good quality work experience placements particularly around professional as well as the more traditional practical services. A Member commented on the College's aspirations to develop apprenticeships and suggested there was a perception that a formal apprentice scheme did not necessarily lead to a permanent job and whether there were enough positive outcomes in terms of skills and experience. Ian Hatt stated that a formal apprentice scheme offered a structured approach to dealing with youth employment, with many apprentices gaining permanent employment. It was acknowledged that more intensive support and guidance was needed for some young people to develop their educational needs and skills. Job Centre Plus and the College had been working with Careers Advisors in schools and local employers to enable young people to explore the available options.

Scrutiny Committee – Economy noted the report and particularly the activities detailed in section five of the circulated report.

(Report circulated)

28 **CAPITAL PROGRAMME MONITORING**

Councillor Prowse declared a personal interest as a Member of Devon County Council in relation to forthcoming road works due to take place in the city centre. Councillor Bull declared a personal interest as a Member of the Highways and Traffic Orders Committee (HATOC).

The Strategic Director (KH) advised Members of the final position with regard to the 2011/12 capital programme for the Economy and Development Directorate. The details of the final expenditure on projects for the year were set out. A complete list of capital projects was circulated with the report. A discussion took place on the implementation of the enhancement scheme including works to York Road. It was acknowledged that people did not necessarily behave as predicted by transport models and this issue would need careful monitoring.

Scrutiny Committee – Economy noted the report.

(Report circulated)

29 **SCRUTINY ECONOMY REVENUE FINAL ACCOUNTS 2011/12**

Councillor Prowse declared a personal interest as a Member of Devon County Council.

The Strategic Director (KH) advised Members of the overall financial performance of the Economy and Development Directorate for the 2011/12 financial year ended 31 March 2012. He also highlighted the major differences by management unit from the approved annual budget. Regular reports had been made to this Scrutiny Committee on the estimated revenue outturn. He responded to a Member's comment on the shortfall in car parking income over the last two years. A number of measures had been taken to address this, with a number of initiatives suggested by the Car Parks Task and Finish Group, including the restructuring of car parking charges, with a

series of reports to the Executive. The surplus of income from the city's residential parking scheme was noted.

Scrutiny Committee - Economy noted the report.

(Report circulated)

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

RESOLVED that, under Section 100A (4) of the Local Government Act 1972, the press and public be excluded from the meeting for the consideration of the following item on the grounds that it involved the likely discussion of exempt information as defined in paragraph 3 of Part 1, Schedule 12A of the Act.

31 **EXETER AND HEART OF DEVON GROWTH BOARD MINUTES**

A copy of the minutes of the most recent meeting of the Exeter and Heart of Devon Growth Point Board minutes was circulated for Members' information, and to inform Members of a number of issues that the City Council will need to consider and take forward as appropriate.

Scrutiny Committee – Economy noted the content of the Exeter and Heart of Devon Growth Board Minutes.

(Minutes circulated to Members)

The meeting commenced at 5.30 pm and closed at 8.20 pm

Chair

SCRUTINY COMMITTEE - ECONOMY – 31 MAY 2012
QUESTION FOR PORTFOLIO HOLDER
UNDER STANDING ORDER NO.19

Question from Mr Knowles for the Portfolio Holder – Sustainable Development and Transport

Will Exeter City Council agree, and if not why not, that the limit of 20% HMOs in a locality is both arbitrary and too high, and that it should be reduced to 15%; that the annual count is too infrequent to keep abreast of developments; and that the large number of non-permanent residents is destroying a sense of community?

Answer

Councillor Sutton, as Portfolio Holder for Sustainable Development and Transport responded to the question. She offered some background to the 20% limit of Houses in Multiple Occupation which was agreed by a Supplementary Planning Document following a period of public consultation last year. The City Council had no power to control the change of family homes into small HMO's, prior to changes in national legislation in 2010. The Council made an Article 4 Direction to give it planning control and considered and adopted the SPD. The HMO Policy was introduced to provide a balance of accommodation within the city.

The annual count provided a snapshot of households which were exempt from council tax. This is taken in May, to coincide with a Government statistical return. More frequent counts would be unlikely to show a very different result, since most students were in their accommodation for a year and there would be a significant cost to the City Council.

Cllr Sutton stated that she believed the 20% HMO limit was an appropriate level. The Article 4 Direction had only been in existence for five months and it was too early to establish how successful it had been. She suggested that the matters raised in the question be considered by Planning Member Working Group, which had a remit to discuss the planning policy issues. It was entirely appropriate that they should look at this matter and see if any changes in the limit were justified.

A Member thanked Cllr Sutton for her in depth reply and welcomed the opportunity to revisit this. He requested that this be dealt with as soon as possible, even if a report was not available. He was aware of a number of issues resulting from the increased number of HMO's in the adjacent St James ward. A Member also acknowledged that this was clearly a matter of concern for a number of people and the need to strike a balance between student accommodation and residents for the city was acknowledged. A Member also suggested that HMO accommodation was not only required or relevant to students, but could help working people and particularly younger people live independently and make a start on the property ladder.

Mr Knowles responded and welcomed that the matter would be referred to the Planning Member Working Group. He felt that the 20% limit was arbitrary and there was a real dilemma over the purpose built student accommodation with many partly vacant.

Members noted that ultimately the Executive could only determine any further change in the HMO limit, but were in support that the issues raised in the question be referred to the Planning Member Working Group for consideration.

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SCRUTINY ECONOMY COMMITTEE 31 MAY 2012

SUSTAINABLE DEVELOPMENT AND TRANSPORT PORTFOLIO PROGRAMME FOR 20012/13

IMPROVING SERVICE DELIVERY

- The City Development service has a pivotal role to play in delivering the City Council's corporate vision. A priority this year will be to complete a systems review of City Development that achieves our ambition of delivering good and in the process generating high income levels, such as through New Homes Bonus, while meeting the desire for greater community involvement.

HOUSING OUR COMMUNITIES

- Now the Local Development Framework strategy has been adopted we need to progress consultation on and adoption of an Affordable Housing SPD that includes guidance on the introduction of the higher affordable housing requirements in the Core Strategy, the future mix of units, approach to viability assessments and the calculation of off-site financial contributions.
- Key focus must be to bring forward outline and full planning permissions to enable the implementation of the proposed new communities at Monkerton and Newcourt and preparation of a development brief in partnership with the local community, for strategic growth at Alphington.

A CITY OF GROWTH AND BUSINESS

- Implementation of a comprehensive approach to infrastructure planning including adoption of a Community Infrastructure Levy, maintenance of an up to date Infrastructure Delivery Plan and establishment of governance arrangements for CIL and the NHB major infrastructure fund.
- Adoption of development principles for the Bus Station, consideration of a feasibility study, submission of an outline planning application for the development and approval of reserve matters application for the first phase. The project will require successful negotiations to relocate the Bus Depot and a finance package for non commercial facilities.
- Completion of improvements to London Inn Square and King William Street Car Park to coincide with the opening of the proposed JLP store.
- Implementation of the Princesshay artwork and improvements to support Cowick Street and Heavitree local shopping centres and development of proposals for Central Station Yard and around Central Library.

QUALITY OF LIFE

- Identification of schemes and associated funding solutions to address significant flooding issues in the City affecting the River Exe and Northbrook. We will also be undertaking an early review of the Council's policy framework, and decision-making arrangements, in respect of the river and canal to improve democratic accountability and ensure the city is best placed to maximise the potential of this asset.
- To update the Council's Open Space Strategy and records of locally important heritage.

A SUSTAINABLE CITY

- Development of viable proposals for district heating schemes at Monkerton and the Grecian Quarter/Heavitree Road.
- Consideration of a Design Review Panel to raise the quality of development.
- Progress implementation of the Council's Green Infrastructure Strategy.
- Preparation and adoption of an SPD on sustainable construction and an approach to allowable solutions.

THRIVING COMMUNITIES

- Preparation of an Issues & Options DMDPD, conduct of public consultation upon it and consideration of the results.
- Establish procedures and consider applications for neighbourhood plans and support for communities, such as St James Forum, through the process.
- Establish a register of Assets of Community Value in response to any regulations.

PUBLIC REALM SERVICES - PARKING, WATERWAYS & FLOOD PREVENTION

- explore the integration of the parking enforcement and community patrol teams to create a new community enforcement & safety team.
- work to determine the preferred option for upgrading Exeter's flood defences and putting in place a local funding partnership that will secure financial contributions from a range of agencies in both the public and private sectors and will in turn unlock the core funding from central government.
- progression of the various ideas/initiatives generated by the Parking Task and Finish Group successfully setup by Scrutiny – Economy. These reports to be provided to Executive for future consideration,
- the completion of the King William car park refurbishment in readiness for the opening of the John Lewis store.

Councillor Rachel Sutton
Portfolio Holder Sustainable Development and Transport
May 2012

SCRUTINY ECONOMY COMMITTEE

31 May 2012

Key Elements of the Programme for the Economy Portfolio for 2012/13

The importance of Exeter's economy as an economic hub and focus for growth within Devon and the wider South West is clear. The area provides a base for leading regional, national and international employers, attracting people with higher level skills and investors. Maintaining and improving the competitiveness of and confidence in the city for investment, promoting and helping people into employment and attracting more visitors have to remain high priorities

There are continued uncertainties in the economy. Therefore an absolute priority for the City Council must be to continue to support growth and recovery.

The key priorities for supporting growth and recovery in 2012/2013 are summarised as follows:

- We will continue to work with Land Securities and the Crown Estate to build on the City Centre Vision, and feasibility study undertaken with a view to bringing forward the development of the Bus & Coach Station site. If a viable scheme can be identified we will be looking to press ahead with the planning processes and seeking to agree Heads of Terms for a development agreement. In conjunction with these proposals we will undertake feasibility and initial planning for a new leisure facility.
- In the short term the arrival of John Lewis to the City Centre will be a major boost to the economy; we have a lot to do in terms of supporting this investment with improvements to the public realm.
- A priority for this year will be to continue to work to capitalise on the investment that has been made in the "Growth Point" outside the city. We will continue to work with the Exeter and Heart of Devon Growth Board to influence and secure support for priority actions and developments from the new Local Enterprise Partnership.
- Continue to work with the Exeter and Heart of Devon Employment and Skills Board to promote investment in relevant training provision for employers and progress projects which support local people to take advantage of job opportunities arising from the Exeter and East Devon New Growth Point projects.
- Develop the Council's approach to helping people into employment. The report before Scrutiny Committee sets out some proposals including the creation of a number of apprenticeship opportunities within the Council.
- We will continue to progress the development of Exeter Science Park with a particular focus on progressing the first buildings on site and its promotion.
- We will maintain our support for measures to promote business formation and survival through a programme of activities coordinated by Exeter Business Support which is based on a partnership with the University of Exeter Innovation Centre.
- Support for the formation and survival of social enterprises.
- Agree and implement a place marketing strategy differentiating the city from others focussing on promoting and securing investment in the Exeter economy.

- Provide a responsive and proactive commercial property and investment support service to facilitate investment and the finding of suitable accommodation.
- Work with the Cultural Partnership to prepare a cultural strategy to develop the breadth and quality of activity in the city and to realise the contribution culture can make to the life of residents and the city's economy.
- We will continue to support key festivals in the city including Respect, Animated Exeter and the Exeter Festival of South West Food and Drink. Recognising the importance of events and festivals to the image, attraction and enjoyment of the city, we do recognise a gap at the moment in the spread and nature of events across the year. We will, with partners, be looking to develop either a new kind of event, or variation of an existing one, where resources allow.
- We will seek to support district shopping centres in local communities to ensure they continue to be vibrant and vital. This will require attention through the planning process, and consideration of approach to support communities through the New Homes Bonus.

Councillor Rosie Denham
Portfolio Holder Economy and Tourism
May 2012