



## Exeter City Council

To the Chair and Members  
of the Executive

**Please ask for:** Sarah Selway

**Direct Dial:** 01392 265275

**Email:** sarah.selway@exeter.gov.uk

**Our ref:**

**Your ref:**

A meeting of the **EXECUTIVE** will be held in the Rennes Room, Civic Centre, Paris Street, Exeter at **5.30 pm** on **MONDAY 1 JULY 2013** to consider the following business. If you have an enquiry regarding any items on this agenda, please contact Sarah Selway, Democratic Services Manager (Committees) on **Exeter 265275**.

**Entry to the Civic Centre can be gained through the Customer Service Centre, Paris Street.**

Pages

### AGENDA

#### Part I: Items suggested for discussion with the press and public present

1

#### APOLOGIES

To receive apologies for absence from Committee members.

2

#### DECLARATIONS OF INTEREST

Councillors are reminded of the need to declare any disclosable pecuniary interests that relate to business on the agenda and which have not already been included in the register of interests, before any discussion takes place on the item. Unless the interest is sensitive, you must also disclose the nature of the interest. In accordance with the Council's Code of Conduct, you must then leave the room and must not participate in any further discussion of 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 - EXCLUSION OF PRESS AND PUBLIC

**RESOLVED** that, under Section 100A(4) of the Local Government Act 1972, the press and public be excluded from the meeting during consideration of items 11 and 12 on the grounds that they involve the likely disclosure of exempt information as defined in paragraph 3 of Part I, Schedule 12A of the Act.

Office of Corporate Manager Democratic & Civic Support

Civic Centre, Paris Street, Exeter, EX1 1JN

Tel: 01392 277888

Fax: 01392 265593

[www.exeter.gov.uk](http://www.exeter.gov.uk)

- 4     **CAPITAL MONITORING 2012/13 AND REVISED CAPITAL PROGRAMME FOR  
2013/14 AND FUTURE YEARS**
- To consider the report of the Acting Assistant Director Finance. 5 - 26
- Scrutiny Committee – Resources considered the report at its meeting on 19 June 2013 and its comments will be reported.
- (Report circulated)
- 5     **OVERVIEW OF REVENUE BUDGET 2012/13**
- To consider the report of the Acting Assistant Director Finance. 27 - 42
- Scrutiny Committee – Resources considered the report at its meeting on 19 June 2013 and its comments will be reported.
- (Report circulated)
- 6     **TREASURY MANAGEMENT 2012/13**
- To consider the report of the Acting Assistant Director Finance. 43 - 46
- Scrutiny Committee – Resources considered the report at its meeting on 19 June 2013 and its comments will be reported.
- (Report circulated)
- 7     **CONSULTATION AND NEGOTIATION FRAMEWORK**
- To consider the report of the Human Resources Business Manager. 47 - 54
- Scrutiny Committee – Resources considered the report at its meeting on 19 June 2013 and its comments will be reported.
- (Report circulated)
- 8     **PAY BY PHONE PARKING**
- To consider a report of the Assistant Director Public Realm. 55 - 56
- (Report circulated)

9                    **HONORARY FREEMAN OF THE CITY STATUS TO SAXON SPENCE**

Section 249 of the Local Government Act 1972 empowers the Council do confer on Saxon Spence Honorary Freeman of the City Status in recognition of the eminent service to the City of Exeter as a member of Devon County Council during which she supported and promoted the interests of the City and its residents.

**RECOMMENDED** that:-

- (1) Honorary Freeman of the City Status be conferred on Saxon Spence; and
- (2) the Right Worshipful the Lord Mayor be requested to convene an Extraordinary Meeting of the Council to be held prior to the ordinary meeting on 16 July 2013, for the purpose of passing the appropriate resolution under Section 249 of the Local Government Act 1972.

10                    **FREEDOM OF THE CITY TO THE ROYAL AIR FORCE**

To consider the report of the Corporate Manager Democratic and Civic Support.                    57 - 64

(Report circulated)

**Part II: Items suggested for discussion with the press and public excluded**

No representations have been received in respect of the following items in accordance with the Local Authorities (Executive Arrangements) (Meetings and Access to Information) (England) Regulations 2012.

11                    **ROYAL ALBERT MEMORIAL MUSEUM UPDATE**

To consider the report of the Corporate Manager Legal Services to provide an update on the Royal Albert Memorial Museum (RAMM) project.                    65 - 68

(Report circulated to Members)

12                    **EXETER BUS AND COACH STATION REDEVELOPMENT**

To consider the report of the Chief Executive & Growth Director to update Members on the current position regarding the redevelopment project for the Bus and Coach Station site.                    69 - 72

(Report circulated to Members)

## **DATE OF NEXT MEETING**

The next scheduled meeting of the Executive will be held on **Tuesday 17 September 2013** at 5.30 pm in the Civic Centre.

***A statement of the executive decisions taken at this meeting will be produced and made available as soon as reasonably practicable after the meeting. It may be inspected on application to the Customer Service Centre at the Civic Centre or by direct request to the Democratic Services Manager (Committees) on 01392 265275. Minutes of the meeting will also be published on the Council's web site as soon as possible.***

### *Membership -*

Councillors Edwards (Chair), Denham, Fullam, Hannaford, Mrs Henson, Martin, Sheldon and Sutton

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 Democratic Services Officer (Committees) on (01392) 265115 for further information.

**Individual reports on this agenda can be produced in large print on request to Democratic Services (Committees) on 01392 265111.**

## EXETER CITY COUNCIL

### SCRUTINY COMMITTEE – RESOURCES 19 JUNE 2013

EXECUTIVE  
1 JULY 2013

COUNCIL  
16 JULY 2013

### CAPITAL MONITORING 2012/13 AND REVISED CAPITAL PROGRAMME FOR 2013/14 AND FUTURE YEARS

#### 1. PURPOSE OF THE REPORT

- 1.1 To advise members of the overall financial performance of the Council for the 2012/13 financial year, in respect of the annual capital programme.
- 1.2 To seek approval of the 2013/14 revised capital programme, including commitments carried forward from 2012/13.

#### 2. REVISIONS TO THE CAPITAL PROGRAMME

- 2.1 The progress of the annual capital programme was last reported to Scrutiny Committee – Resources on 20 March 2013. Since that meeting the following changes have been made that have reduced the programme:

Description	£	Approval/Funding (%) *
<b>Capital Programme, as at 20 March 2013</b>	<b>20,101,360</b>	
<b>GENERAL FUND</b>		
Amendments to programme approved at the Executive 9 April 2013	(2,656,940)	Deferred to Future Years
Disabled Facilities Grants	8,760	Capital Contribution from Housing Associations
Council Buildings – Solar Panels	230,000	Approved Funding from New Homes Bonus
Capital Grants to Community Centre Projects	309,750	Approved Funding from New Homes Bonus
National Cycle Network	98,270	Devon CC Contributions
Mincinglake / Northbrook Study	43,670	Devon CC Contributions
Wonford Sports Centre Refurbishment	12,000	Contribution from Parkwood Leisure
<b>Revised Capital Programme</b>	<b>18,146,870</b>	

\* There is no additional borrowing required to fund the additional works above.

### 3. PERFORMANCE (Appendix 1)

- 3.1 Capital expenditure in the year amounted to £15,859,107, a reduction of £2,287,763 on the planned figure of £18,146,870.
- 3.2 The actual expenditure during 2012/13 represents 87.4% of the total approved for the revised Capital Programme, which means £2.4 million will need to be carried forward to be spent in future years, as indicated in Appendix 1.
- 3.3 In comparison with the previous financial year, spending performance has increased slightly. During 2011/12 capital expenditure was £13,123,271, equivalent to 80.5% of the planned figure of £16,305,080.

#### 3.4 Capitalisation of Staff Costs

In accordance with the Code of Practice on Local Authority Accounting in the United Kingdom, any costs attributable to bringing a fixed asset into working condition for its intended use qualify as capital expenditure. Directly attributable costs include the labour costs of certain Council employees, which have been directly involved in the construction or acquisition of a specific asset.

- 3.5 During the financial year, the cost of the Council's IT developers, engineers, architects and surveyors have been treated as capital expenditure, based upon timesheet information.

- 3.6 Several large capital schemes have required a high commitment in staff time, including the:

- Refurbishment of the John Lewis Car Park
- Continuation of the replacement of J Based legacy systems. These are the old 'green screen' systems such as FIMS and the payments system which were replaced in 2008
- Delivery of the kitchen and bathroom replacement programmes and re-roofing of Council dwellings

- 3.7 The total value of staff time charged to capital schemes for 2012/13 amounted to £585,030.

### 4.0 CAPITAL FINANCING

- 4.1 The capital expenditure in 2012/13 of £15,859,107 was financed as follows:

	£
Housing Revenue Account (Revenue)	4,253,550
HRA Major Repairs Reserve	4,092,152
Capital Grants & Contributions	1,176,198
Capital Receipts	997,882
Revenue (New Homes bonus etc)	282,194
Borrowing	5,057,131
	<b>15,859,107</b>

## 5.0 VARIANCES AND ACHIEVEMENTS

5.1 The main variances and achievements are as follows:

### 5.1.1 Community & Environment

#### *Cultural City*

- **Play Area Refurbishments (Budget £103,800, Spend £93,493)**  
During the year the play areas at Great Hill View, Quarry Park and Woodwater Lane have undergone general improvement together with the installation of new items of play equipment. Additional schemes funded from Section 106 contributions include floodlighting at Pinhoe Station Road multi use games area, play area infrastructure, including fencing and gates at Beacon Avenue (Chaucer Grove), and significant projects at Looe Road and Ivy Johns Playing Fields (formerly Wonford Playing Fields).

The projects at Ivy Johns Playing Fields and Looe Road will be completed during 2013/14 and a number of further refurbishments and improvements of play areas are planned, together with the creation of other new play spaces.

- **Sports Facilities Refurbishments (Budget £81,780, Spend £56,498)**  
The budget was used to refurbish Wonford Sports Centre, towards which we received contributions from Parkwood Leisure (£12,000) and Devon CC (£15,000), and replacement air conditioning units for the dance studio at Clifton Hill Sports Centre.
- **RAMM Redevelopment (Budget £2,209,770, Spend £1,805,595)**  
An additional budget of £2.2M was approved by Council in October 2012 to cover any outstanding liabilities in respect of the redevelopment. Whilst the final payment to the main contractor was agreed and paid during the year, there remain a number of other possible payments and it is proposed to carry over the remaining budget of £404,170.
- **Grants to Community Associations (Various budgets totalling £309,750, Spend £58,080)**  
Capital budgets were approved for a number of grants to improve facilities to community centres and sports club premises, to be funded from New Homes Bonus. Grant payments of £58,080 were required in the year and £251,670 will need to be carried forward to complete these projects. A further £228,990 was approved for additional projects in 2013/14.

#### *Cared for Environment*

- **Local Authority Carbon Management Programme (Budget £120,530, Spend £54,510)**  
Projects undertaken during the year include the completion of energy efficiency measures at King William Street Car Park (as part of the upgrade of the lighting), and the input of water saving measures to toilets at various Council premises.

### ***Excellence in Public Services***

- **Vehicle Replacement Programme (Budget £400,000, Spend £384,305)**  
The 2012/13 programme has been mostly spent and has produced a saving of £6,345 for the financial year.

### ***Healthy & Active People***

- **Disabled Facilities Grants (Budget £395,330, Spend £436,335)**  
This original budget of £290,000 was enhanced during the year from an additional Government subsidy allocation of £83,745 and contributions from Housing Associations. Demand for these grants has continued to be high and expenditure in the year exceeded the budget by £41,005, which will be covered from a saving in the renovation grants budget of £49,820.

### ***Everyone Has a Home***

- **Sovereign Infill – Shakespeare Road & Leypark Road (Budgets and Spend £510,000)**

Grants to Sovereign Housing Association of £375,000 and £135,000 respectively were made which support the following developments:

- Shakespeare Road: The development of 24 over 55's, 1 and 2 bedroom apartments and 1 fully wheelchair accessible 2 bedroom house
- Leypark Road: 9 over 55's, 1 and 2 apartments

The Council's grants have ensured that 100% of the developments will be let as affordable housing at Social Rent levels and that the new homes are all built to very high sustainable standards.

- **Private Sector Renewal Scheme (Budget £150,640, Spend £278,743)**  
At the time of the capital monitoring exercise to 30th September, this budget was reduced by £199,180 to reflect the forecast at that time. The final outturn was £278,743, which is an overspend of £128,103 compared with the revised budget.

However, officers were not aware of the extent of works required for properties joining the scheme during the rest of the financial year. A disproportionate number of properties were taken on during the latter half of 2012/13 which required a greater level of work in order for the properties to meet the required standard for the Council's rental schemes than in previous years. The impact of this has been twofold:

- a greater amount has been paid out in non-recoverable grant
- a greater amount is recoverable but these loans are tied into reduced rental payments to the landlord over the period of the lease, generally between 2-5 years and will take a period of time to be fully recovered

- **The Haven (Budget £250,000, Spend £0)**

The purchase of The Haven was delayed as the vendor had to undertake repairs to the property (to address water ingress). The purchase was completed recently and the budget will need to be carried forward.



- **Steps Acquisitions (Budget £50,000, Spend £0)**  
As reported to the Committee's meeting in March, this budget is no longer required and is therefore declared as a saving.

#### ***Maintain Assets of Our City***

- **Council Buildings – Solar Panels (Budget £247,470, Spend £148,162)**  
A programme to install solar panels to a number of Council buildings was approved by the New Homes Bonus Committee. Installations to date include the Civic Centre and the Materials Recycling Facility. The remaining budget will need to be carried forward to 2013/14 to complete the programme.

### 5.1.2 Economy & Development

#### ***Accessible City***

- **National Cycle Network (Budget £128,300, Spend £128,297)**  
The programme to improve the City's cycleway infrastructure continues and projects were completed during 2012/13 at Station Road Pinhoe, King George V, Heavitree Park, the Hazel Road link to Ludwell Valley, and Princesshay cycle stands. The cost of the programme is funded wholly by Devon County Council.
- **John Lewis Car Park Refurbishment - Stage 2 (Budget £922,880, Spend £944,159 )**  
A full refurbishment was undertaken of this car park, which supported the redevelopment by John Lewis of the old Debenhams building. Improvements included re-decking, repainting, installation of CCTV and pay on foot systems, as well as a new pedestrian exit.
- **Well Oak Footpath / Cycleway (Budget £40,000, Spend £25,860)**  
Provision of a new foot/cycle path linking Well Oak Park with Shakespeare Road. Works to ECC land commenced in 2012/13 and were completed in May 2013, due to be opened when the adjacent construction site (Sovereign Housing) is complete, which is anticipated in July.

#### ***Cultural City***

- **St Katherine's Priory Re-Roofing (Budget £75,090, Spend £77,871)**  
The re-roofing of the Priory has been completed with a small resulting overspend.

#### ***Cared For Environment***

- **City Centre Enhancements (Budget £690,980, Spend £672,210)**  
Public realm enhancements at London Inn Square were completed in the autumn in time for the opening of the new John Lewis Store. The scheme included widening pavements, removing private traffic from Sidwell Street, repaving the north side of Sidwell Street (to St Sidwell's) with granite paving and new tree planting, seats, bins and cycle racks. These works exceeded the scheme budget by £400,000; primarily as a result of shallow services, difficulties caused by working within a constrained area with requirements for continual pedestrian and vehicular access, and delays by other contractors. The overspend was shared 50:50 between ECC and Devon County Council (DCC), and an increase in the Council's budget to cover its share of the cost was approved in 2012. DCC are currently carrying out final minor works and

ECC will shortly be installing fixing points for the market stall holders on the south side of Sidwell Street.

- **Cowick Street Environmental Works (Budget £61,360, Spend £53,877)**  
Works in 2012/13 included cleaning and lighting the Railway Bridge and restoration of the Pigeon Mosaic by original artist Elaine Goodwin, and tree planting outside the Methodist Church and St Thomas Medical Centre. Orders have been placed for the remainder of the works which include tree planting, a co-ordinated range of street furniture (designed with local artist Naomi Hart), repaving beneath existing trees outside the Sawyer's Arms and raised tables at St Thomas Station and the St Thomas Shopping centre vehicle exit (funded by DCC, subject to Traffic Regulation Orders).
- **Central Station Environmental Works**  
The original budget for this scheme of £185,000 was deferred to 2013/14 from the December 2012 monitoring. Network Rail had to give six months' notice to their previous tenant before the lease of the forecourt could be granted to Devon County Council. Terms of the new lease are well advanced and work on site is expected to start in the Autumn.

### ***Prosperous City***

- **Science Park (Budget £60,000, Spend £53,625)**  
The Science Park Centre will provide over 30,000sq ft of space for businesses and programmes of support to help new businesses to start and grow and create new jobs. It was anticipated that the balance of funding from the Council towards the new building costs would not be required until 2013/14 and therefore, £675,990 of the original 2012/13 budget of £735,990 has already been deferred to 2013/14.

There was a small underspend against the 2012/13 revised budget of £60,000, and the Council's final contribution of £559,568 was paid in April 2013, which will produce a saving of £116,422 against the 2013/14 budget.

## **5.1.3 Resources**

### ***Electronic City***

- **Server and Storage Strategy (Budget £39,930, Spend £44,118) and Corporate Network Infrastructure (Budget £25,000, Spend £26,532)**  
There were small overspends in the cost of upgrading the equipment in line with the previous forecast.

### **PC and Mobile Devices Replacement Programme (Budget £178,010, Spend £59,005)**

An underspend of £119,005 was due to the impact of the DELT process delaying the signing of a new Enterprise Agreement for desktop licensing and progressing the rollout of the Virtual Desktop Infrastructure. The unspent budget will need to be carried forward to give the Council the flexibility to renew its Microsoft Desktop licences at the optimum time to maximize software updates over the 3 year licence term. It also provides flexibility pending the outcome of the DELT proposal.

## 5.1.4 Housing Revenue Account

### *Everyone Has a Home*

Below are explanations for the main variations from the approved programme:

- **MRA Fees (Budget £342,850, Spend £360,969)**  
This budget provides for the cost of the Contracts Unit support to help deliver the HRA Capital Programme, including quantity surveying, procurement and tendering services. As mentioned earlier in this report, the Contracts Unit deployed more staff towards key HRA capital schemes including the kitchen and bathroom replacement programmes and this has resulted in a higher than budgeted recharge.
- **Programmed Re-roofing (Budget £300,000, Spend £320,654)**  
In order to save reactive repair costs the roofs of four properties have been replaced in order to resolve problems with multiple leaks. This has resulted in an overspend of £20,654, but will result in future savings in the cost of programmed works.
- **Kitchen Replacement Programme (Budget £2,663,260, Spend £2,765,429)**  
Kitchens were replaced in 598 properties during 2012/13 compared to a target of 589. This was predominantly due to a higher than anticipated number of empty properties requiring new kitchens prior to re-letting. The average cost per kitchen has also increased due to additional plastering and electrical repairs. Both these factors have resulted in additional expenditure of £102,000 during the financial year which will be deducted from next year's budget. The impact on the number of kitchens that can be replaced within existing approved budgets will be assessed and reported back to this committee during 2013/14.
- **Bathroom Replacement Programme (Budget £887,350, Spend £1,049,357)**  
Bathrooms were replaced in 390 properties during 2012/13 compared to a target of 360. This was predominantly due to a higher than anticipated number of empty properties requiring new bathrooms prior to re-letting. The average cost per bathroom has also increased due to additional plastering works and a change to the specification of bathroom hardware. Both these factors have resulted in additional expenditure of £162,000 during 2012/13 which will be deducted from next year's budget. The impact on the number of bathrooms that can be replaced within existing approved budgets will be assessed in conjunction with the kitchens and reported back to this committee.
- **Electrical Re-wiring (Budget £510,000, Spend £565,994)**  
As a consequence of the kitchen and bathroom replacement programme a higher than budgeted number of properties requiring electrical re-wires have been identified by the contractors. An additional 100 properties had electrical re-wiring compared to the planned 300 properties, which has resulted in a £56,000 overspend. As these works are necessary in accordance with Health and Safety regulations, it is considered prudent to report an overspend rather than deduct from the 2013/14 budget, so that works are not curtailed next financial year.
- **Boiler Replacement Programme (Budget £260,000, Spend £371,960)**  
An extra 40 boilers were replaced during 2012/13 in addition to the 196 planned replacements. This was largely due to a higher number of boiler breakdowns during the prolonged cold weather, which were replaced rather than repaired as it was deemed more cost effective, even though a £112,000 overspend has occurred.

Compensating savings are achieved in annual service and maintenance costs, especially in the early years as the new boilers come with a 5 year warranty. The Council will continue to undertake annual servicing of the boilers, but most remedial repairs will be covered by the warranty.

#### 5.1.5 Council Own Build Capital Programme (Budget £155,350, Spend £142,164)

Following the completion of the Council Own Build (COB) sites at Rowan House and Knights Place, the Council is now commencing COB – Wave 2 and COB – Wave 3. Their associated capital budgets form part of the overall HRA Capital Programme.

#### Variance from Budget

Expenditure incurred during 2012/13 relates to architects fees and ground investigation work in order to take identified housing development sites to the planning stage.

### 6.0 CAPITAL AND PROJECT PROGRAMME 2013/14 (Appendix 2)

6.1 The revised Capital Programme for 2013/14, after taking into account the carried forward requirements from 2012/13 as well as additional approvals and other changes, now totals £21,511,060.

6.2 In addition to adding the carry forwards from 2012/13, the 2013/14 approved budget has also been increased for the following changes:

Description	£	Approval/Funding (%) *
<b>Approved Budget</b>	<b>12,283,860</b>	
Carry Forwards from 2012/13	2,358,930	
Amendments to programme approved at the Executive 4 Dec 2012	869,180	Deferred from 2012/13
Amendments to programme approved at the Executive 9 April 2013	2,656,940	Deferred from 2012/13
PARIS Income Management System Upgrade	25,000	Additional funding approved by Executive on 9 April 2013
Capital Grants to Community Centre Projects	228,990	Approved Funding from New Homes Bonus
Energy Conservation	19,020	External funding
Disabled Facilities Grants	4,720	Increased Government funding
Paris St Roundabout Landscaping / Sculptural Swift Tower	43,540	S106 funding
Heavitree Environmental Improvements	22,770	S106 funding
HRA - Council Own Build	2,998,110	Additional funding from HRA Reserves - approved by Executive 5 Feb 2013
<b>Revised Programme 2013/14</b>	<b>21,511,060</b>	

## **7.0 FURTHER FUNDING REQUESTS**

### **7.1 Temporary Accommodation**

The Council faces continuing pressures to meet its statutory obligations under the Homelessness Act 2002 and an opportunity has arisen to bid for the purchase of a property next door to Glencoe in Alphington Street, which the Council already owns and runs as temporary accommodation.

A budget of £300,000 is estimated to be required for the cost to purchase and carry out the cost of turning the property into temporary accommodation, and the current budget for temporary accommodation of £170,000 is insufficient for this purpose. In order to enable a bid to go forward, a delegated decision was therefore made by the Assistant Director Housing and Contracts in consultation with the Leader whereby the total budget of £300,000 would be made up from the existing budget allocations to Temporary Accommodation (£170,000), 22 St Davids Hill (£50,000) and Stepcote Hill (£60,000), the latter budgets are no longer required for their original purpose, with a further £20,000 to be funded from the eventual sale of 22 St Davids Hill.

A further £50,000 capital budget has been identified for 22 St Davids Hill, meaning that the £300,000 required in total can be made available from existing budgets. The eventual sale of 22 St Davids Hill can still be used towards financing the costs.

Should the bid not be successful then the existing budgets would be ring fenced for the purchase of alternative temporary accommodation.

### **7.2 Housing Revenue Account**

Approval is sought for an additional budget of £120,000 in the 2013/14 HRA capital programme to meet the costs of essential structural repairs to four council dwellings. Inspections undertaken by Structural Engineers have identified that the properties require underpinning following damage from subsidence. Works will also include necessary drainage repairs and external and internal refurbishments. The cost of the works will be met from monies set aside in the Major Repairs Reserve.

## **8.0 RECOMMENDED**

8.1 It is recommended that Scrutiny Committee – Resources notes and Council approves:

- (i) The overall financial position for the 2012/13 annual capital programme.
- (ii) The amendments to the Council's annual capital programme for 2013/14.
- (iii) The further funding requests set out in Section 7 above.

ACTING ASSISTANT DIRECTOR FINANCE

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

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

1. None

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2012-13  
CAPITAL MONITORING TO 31 MARCH 2013

	2012-13 Capital Programme	2012-13 Spend	2012-13 Budget to be Carried Forward to Future Years	2012-13 Programme Variances (Under)/Over
	£	£	£	£
<b>COMMUNITY &amp; ENVIRONMENT</b>				
<b>CULTURAL CITY</b>				
Play Area Refurbishments	103,800	93,493	10,800	493
Replace Arena Athletics Track	110	111		1
Sports Facilities Refurbishment	81,780	56,498	25,280	(2)
Parks Improvements	81,080	56,683	25,170	773
Contribution to RAMM Re HLF Parks Bid	65,970	55,764	10,210	4
RAMM Redevelopment	2,209,770	1,805,595	404,170	(5)
RAMM Off Site Store	40,740	33,692	7,050	2
Neighbourhood Parks & Local Open Spaces	35,330	24,490	10,840	0
Allotments - Toilet Replacement	23,440	23,611		171
Replacement of Flowerpot Skate Park	20,410	15,877	4,530	(3)
Refurbishment and Upgrade of Paddling Pools	202,000	64,830	137,170	0
Newtown Community Centre	70,000	8,416	61,580	(4)
Topsham Rugby Club Improvements	50,000	0	50,000	0
Exeter Community Centre Garden	50,000	49,664	340	4
Countess Wear Community Centre	70,000	0	70,000	0
Newcourt Community Association Centre	69,750		69,750	0
<b>CARED FOR ENVIRONMENT</b>				
Vehicle Replacement Programme	400,000	384,305	9,350	(6,345)
Public Toilet Refurbishment	990	0	990	0
Local Authority Carbon Management Programme	120,530	54,510	66,020	0
Improvements to Cemetery Roads & Pathways	15,160	7,644	4,000	(3,516)
<b>EXCELLENCE IN PUBLIC SERVICES</b>				
New Technology for Cleansing	14,190	17,463		3,273
Belle Isle Depot - Secure Equipment Storage	11,820	11,931		111
No 6 Greenhouse Belle Isle	17,500	16,449		(1,051)
<b>HEALTHY &amp; ACTIVE PEOPLE</b>				
Disabled Facility Grants	395,330	436,335		41,005

## 2012-13

## CAPITAL MONITORING TO 31 MARCH 2013

	2012-13 Capital Programme	2012-13 Spend	2012-13 Budget to be Carried Forward to Future Years	2012-13 Programme Variances (Under)/Over
	£	£	£	£
<b>EVERYONE HAS A HOME</b>				
Warm Up Exeter/PLEA Scheme	100,000	31,474	68,530	4
Renovation Grants	50,000	180		(49,820)
Wessex Loan Scheme	784,380	136,537	647,840	(3)
Glencoe Capital Works	5,670	708	4,960	(2)
Private Sector Renewal Scheme	150,640	278,743		128,103
St Loyes Design Fees	0	4,115	-4,110	5
WHIL Empty Properties	200,000	6,000	194,000	0
Steps Acquisitions	50,000			(50,000)
11-13 Stepcote Hill	60,000		30,000	(30,000)
22 St Davids Hill Conversion	0			0
Temporary Accommodation Purchase	0			0
Infill Sites	0			0
Sovereign Infill - Shakespeare Road	375,000			0
Sovereign Infill - Leypark Road	135,000	375,000		0
The Haven	250,000	135,000	250,000	0
<b>MAINTAIN ASSETS OF OUR CITY</b>				
Council Buildings - Solar Panels	247,470	148,162	99310	2
<b>COMMUNITY &amp; ENVIRONMENT TOTAL</b>	<b>6,557,860</b>	<b>4,333,280</b>	<b>2,257,780</b>	<b>33,200</b>



## 2012-13

## CAPITAL MONITORING TO 31 MARCH 2013

2012-13 Capital Programme	2012-13 Spend	2012-13 Budget to be Carried Forward to Future Years	2012-13 Programme Variances (Under)/Over
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	£	£	£	£
<b>ECONOMY &amp; DEVELOPMENT</b>				
<b>ACCESSIBLE CITY</b>				
National Cycle Network	128,300	128,297	(3)	
Signage / Pedestrian Interpretation	31,600	30,683	(917)	
Well Oak Footpath/Cycleway	40,000	25,860	14,140	0
John Lewis Car Park Refurb Stage 1	207,540	205,208	2,330	(2)
John Lewis Car Park Refurb Stage 2	922,880	944,159		21,279
<b>CULTURAL CITY</b>				
18 North Street Panelling	870	870		0
Corn Exchange Enhancements	5,110	3,318	(1,792)	
St Katherine's Priory Re-Roofing	75,090	77,871		2,781
<b>CARED FOR ENVIRONMENT</b>				
City Centre Enhancements	690,980	672,210	18,770	0
Mincinglake/Northbrook Study	55,490	55,486	(4)	
Ibstock Environmental Improvements	3,240	3,240		0
Cowick Street Environmental Works	61,360	53,877	7,480	(3)
Exhibition Way Bridge Maintenance	1,000	1,000		0
Central Station Environmental Works	0	0		0
Princesshay Artwork	40,000	40,000		0
<b>EXCELLENCE IN PUBLIC SERVICES</b>				
Verney House	4,500	4,810		310
<b>LEARNING CITY</b>				
Improvements to Quay House Visitor Centre	1,470	1,084	(386)	
<b>PROSPEROUS CITY</b>				
Canal Basin and Quayside	23,810	18,427	5,380	(3)
Science Park	60,000	53,625	6,375	
137 Cowick Street	39,560	36,396	3,160	(4)
<b>SAFE CITY</b>				
Security Measures for Riverside Valley Park	1,900	0	1,900	0
<b>ECONOMY &amp; DEVELOPMENT TOTAL</b>				
	<b>2,394,700</b>	<b>2,352,181</b>	<b>57,400</b>	<b>14,881</b>

## 2012-13

## CAPITAL MONITORING TO 31 MARCH 2013

2012-13 Capital Programme	2012-13 Spend	2012-13 Budget to be Carried Forward to Future Years	2012-13 Programme Variances (Under)/Over
---------------------------	---------------	--	--

	£	£	£	£
<b>RESOURCES</b>				
<b>ELECTRONIC CITY</b>				
Electronic Document Management	1,880	0	(1,880)	
Server and Storage Strategy	39,930	44,118	4,188	
J Based Legacy Systems	37,500	40,319	2,819	
Security Compliance for GCSx & PCI DSS	11,890	11,974	84	
Authentication Module	31,000	20,869	(10,130)	
IT Development Time	0		0	
PC & Mobile Devices Replacement Programme	178,010	59,005	(119,000)	
Corporate Network Infrastructure	25,000	26,532	1,532	
<b>EXCELLENCE IN PUBLIC SERVICES</b>				
Upgrade of E-FIMS to v4.1	30,860	25,562	(5,300)	
Capitalised Staff Costs	132,820	0	(132,820)	
<b>CORPORATE SERVICES TOTAL</b>	<b>488,890</b>	<b>228,379</b>	<b>134,430</b>	<b>(126,081)</b>

## 2012-13

## CAPITAL MONITORING TO 31 MARCH 2013

2012-13 Capital Programme	2012-13 Spend	2012-13 Budget to be Carried Forward to Future Years	2012-13 Programme Variances (Under)/Over
------------------------------	---------------	--	--

	£	£	£	£
<b>HRA CAPITAL</b>				
<b>EVERYONE HAS A HOME</b>				
Adaptations	450,000	400,315	30,000	(19,685)
Rendering of Council Dwellings	260,150	214,484	45,670	4
MRA Fees	342,850	360,969		18,119
Communal Door Entry System	14,740	10,106		(4,634)
Environmental Improvements - General	55,060	33,678		(21,382)
Programmed Re-roofing	300,000	320,654		20,654
Energy Conservation	14,000	21,297	(7,300)	(3)
Asbestos Survey	180,000	166,035	13,960	(5)
Plastic Windows & Doors	20,000	20,023		23
LAINGS Refurbishments	12,470	17,196	(4,730)	(4)
Kitchen Replacements	2,663,260	2,765,429	(102,170)	(1)
Asbestos Removal Works	325,000	336,630		11,630
Bathroom Replacements - Programmed	887,350	1,049,357	(162,010)	(3)
Other Works	96,870	96,679		(191)
Repainting	43,850	20,899		(22,951)
Fire Precautionary Works to Flats	281,050	228,718	52,330	(2)
Communal Areas	98,110	136,580	(38,470)	0
Structural Repairs	31,490	44,107	(12,620)	(3)
Fire Alarms at Sheltered Accommodation	40,000	12,184	27,820	4
Replacement Concrete Canopies	243,150	194,459	48,690	(1)
472 Topsham Road Adaptations	55,000	54,634		(366)
Acquisition of 16 Chanter Court	75,000	75,000		0
Acquisition of Social Housing	584,730	584,930	(200)	0
Programmed Electrical Re-wiring	510,000	565,994		55,994
Central Heating Programme	705,940	700,786	5,160	6
Boiler Replacement Programme	260,000	371,960		111,960
<b>HOUSING REVENUE ACCOUNT TOTAL</b>	<b>8,550,070</b>	<b>8,803,103</b>	<b>(103,870)</b>	<b>149,163</b>
<b>COUNCIL OWN BUILD CAPITAL</b>				
Merlin Crescent	250	254		4
Phase 3 Professional Fees	135,300	124,957	10,340	(3)
Phase 2 St Andrews Road	19,800	9,574	10,230	4
Newport Road	0	6,229	-6,230	(1)
Whipton Methodist Church	0	400	-400	0
Bennett Square	0	750	-750	0
<b>COUNCIL OWN BUILD TOTAL</b>	<b>155,350</b>	<b>142,164</b>	<b>13,190</b>	<b>4</b>
<b>CAPITAL AND PROJECT EXPENDITURE TOTAL</b>	<b>18,146,870</b>	<b>15,859,107</b>	<b>2,358,930</b>	<b>71,167</b>

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**2013-14  
REVISED CAPITAL PROGRAMME**

	£	£	£	£	£
	2012-13 Budget to be Carried Forward to 2013-14	Additional 14 Approvals / Funding and Virements	2013-14 Approved Capital Programme	2013-14 Revised Capital Programme	2013-14 Revised Capital Programme
<b>COMMUNITY &amp; ENVIRONMENT</b>					
<b>PROVIDE GREAT THINGS FOR ME TO SEE DO AND VISIT</b>					
Play Area Refurbishments	10,800	212,000	80,000	302,800	302,800
Replace Running Track at Exeter Arena			750,000	750,000	750,000
Sports Facilities Refurbishment	25,280	108,330	50,000	183,610	183,610
Parks Improvements	25,170			25,170	25,170
Contribution to RAMM Re HLF Parks Bid	10,210			10,210	10,210
RAMM Development	404,170			404,170	404,170
RAMM Off Site Store	7,050			7,050	7,050
Neighbourhood Parks & Local Open Spaces	10,840			10,840	10,840
Replacement of Flowerpot Skate Park	4,530			4,530	4,530
Refurbishment and Upgrade of Paddling Pools	137,170	240,000		137,170	137,170
Newton Community Centre	61,580			61,580	61,580
Topsham Rugby Club Improvements	50,000			50,000	50,000
Countess Wear Community Centre	70,000			70,000	70,000
Newcourt Community Association Centre	69,750			69,750	69,750
Exe Water Sports Association (Grant towards build)		50,000		50,000	50,000
Exwick Ark (Grant towards conversion)		50,000		50,000	50,000
Devonshire Place (landscaping)		25,000		25,000	25,000
Bury Meadow (landscaping)		7,000		7,000	7,000
Alphington VH (Repairs & Extension)		50,000		50,000	50,000
St Thomas Social Club (new roof)		25,000		25,000	25,000
Ride On (set up workshop / bike hire)		5,000		5,000	5,000
Exeter Community Centre Garden	340	16,990		17,330	17,330
<b>IMPROVE THE ENVIRONMENT AND MY NEIGHBOURHOOD</b>					
Public Toilet Refurbishment	990			990	990
Local Authority Carbon Management Programme	66,020			66,020	66,020
Improvements to Cemetery Roads & Pathways	4,000			4,000	4,000
<b>OTHER</b>					
Vehicle Replacement Programme	9350		450,000	459,350	459,350

**2013-14  
REVISED CAPITAL PROGRAMME**

	2012-13 Budget to be Carried Forward to 2013- 14	2013-14 Additional 14 Approvals / Funding and Virements	2013-14 Approved Capital Programme	2013-14 Revised Capital Programme
	£	£	£	£
<b>HELP ME FIND SOMEWHERE SUITABLE TO LIVE</b>				
Disabled Facility Grants			290,000	294,720
Warm Up Exeter/PLEA Scheme	68,530	4,720	100,000	168,530
Renovation Grants			50,000	50,000
Wessex Loan Scheme	647,840			647,840
Glencoe Capital Works	4,960			4,960
St Loyes Design Fees	-4,110	69,110		65,000
Private Sector Renewal Scheme			143,830	143,830
WHIL Empty Properties	194,000			194,000
HCA Empty Properties		100,000		100,000
The Haven	250,000			250,000
11-13 Stepcote Hill	30,000			30,000
22 St Davids Hill Conversion		100,000		100,000
Temporary Accommodation Purchase		170,000		170,000
Infill Sites		350,000		350,000
<b>MAINTAIN ASSETS OF OUR CITY</b>				
Council Buildings - Solar Panels	99,310			99,310
<b>COMMUNITY &amp; ENVIRONMENT TOTAL</b>				
	<b>2,257,780</b>	<b>1,583,150</b>	<b>1,913,830</b>	<b>5,754,760</b>

2013-14  
REVISED CAPITAL PROGRAMME

	2012-13 Budget to be Carried Forward to 2013-14	Additional 14 Approvals / Funding and Virements	2013-2013-14 Approved Capital Programme	2013-14 Revised Capital Programme
	£	£	£	£
<b>ECONOMY &amp; DEVELOPMENT</b>				
<b>PROVIDE GREAT THINGS FOR ME TO SEE DO AND VISIT</b>				
Canal Basin and Quayside	5,380	420,770		426,150
<b>ACCESSIBLE CITY</b>				
National Cycle Network				0
Signage / Pedestrian Interpretation				0
John Lewis Car Park Refurbishment	2,330			2,330
<b>IMPROVE THE ENVIRONMENT AND MY NEIGHBOURHOOD</b>				
Cowick Street Environmental Works	7,480	140,000		147,480
City Centre Enhancements	18,770	6,880		25,650
Well Oak Footpath/Cycleway	14,140	40,150		54,290
Exhibition Way Bridge Maintenance	1,000	44,000		45,000
Northbrook Flood Alleviation Scheme			200,000	200,000
Purchase of Land - Drakes Meadow			280,000	280,000
Paris Street Roundabout Landscaping & Sculptural Swift Tower		43,540		43,540
Heavitree Environmental Improvements		22,770		22,770
Ibstock Environmental Improvements	3,240			3,240
Planting Improvements in Riverside Valley Park		14,320		14,320
Central Station Environmental Works		185,000		185,000
<b>MAINTAIN THE ASSETS OF OUR CITY</b>				
Topsham Lock Leak			35,000	35,000
Verney House Window Replacement			60,000	60,000
<b>OTHER</b>				
Replacement of Car Park Pay & Display Machines			230,000	230,000
<b>PROSPEROUS CITY</b>				
Science Park		675,990		675,990
137 Cowick Street	3,160			3,160
<b>SAFE CITY</b>				
Security Measures for Riverside Valley Park	1,900			1,900
<b>ECONOMY &amp; DEVELOPMENT TOTAL</b>	<b>57,400</b>	<b>1,593,420</b>	<b>805,000</b>	<b>2,455,820</b>

2013-14  
REVISED CAPITAL PROGRAMME

	2012-13 Budget to be Carried Forward to 2013-14	Additional 14 Approvals / Funding and Virements	2013-2013-14 Approved Capital Programme	2013-14 Revised Capital Programme
	£	£	£	£
<b>RESOURCES</b>				
<b>OTHER</b>				
Server and Storage Strategy			32,000	32,000
Security Compliance for GCSx & PCI DSS		21,110		21,110
Authentication Module	10130	0		10,130
PC & Mobile Devices Replacement Programme	119,000		60,000	179,000
Corporate Network Infrastructure			22,000	22,000
PARIS Income Management System Upgrade		25,000		25,000
Invest to Save Opportunities			100,000	100,000
Capitalised Staff Costs	5300		261,000	266,300
Upgrade of E-FIMS to v4.1				
<b>RESOURCES TOTAL</b>	<b>134,430</b>	<b>46,110</b>	<b>475,000</b>	<b>655,540</b>



**2013-14  
REVISED CAPITAL PROGRAMME**

	2012-13 Budget to be Carried Forward to 2013- 14	Additional 14 Approvals / Funding and Virements	2013-2013-14 Capital Programme	2013-14 Revised Capital Programme
	£	£	£	£
<b>HRA CAPITAL</b>				
<b>EVERYONE HAS A HOME</b>				
Adaptations	30,000		600,000	630,000
Rendering of Council Dwellings	45,670		260,000	305,670
MRA Fees			389,030	389,030
Communal Door Entry System			10,000	10,000
Environmental Improvements - General			41,000	41,000
Programmed Re-roofing	(7,300)		300,000	300,000
Energy Conservation	13,960	58,260	110,000	160,960
Asbestos Survey	(102,170)			13,960
Kitchen Replacements	(162,010)		2,400,000	2,297,830
Bathroom Replacements - Programmed	(4,730)		1,030,000	867,990
LAINGS Refurbishments			370,000	365,270
Other Works		36,670	50,000	86,670
Repointing			50,000	50,000
Fire Prevention Works	52,330		200,000	302,330
Smoke Detector Replacements		200,000	200,000	400,000
Communal Areas	(38,470)		150,000	161,530
Structural Repairs	(12,620)		20,000	27,380
Fire Alarms at Sheltered Accommodation	27,820		80,000	127,820
Flood Prevention Works			10,000	10,000
Replacement Concrete Canopies	48,690		25,000	73,690
Social Housing Acquisitions	(200)		500,000	712,350
Programmed Electrical Re-wiring		212,550	460,000	460,000
Boiler Replacement Programme			260,000	260,000
Central Heating Programme	5,160		240,000	245,160
Property Entrance Improvements			20,000	20,000
Rennes House Scooter Store			15,000	15,000
Rennes House Structural Works			1,000,000	1,000,000
Rennes House		400		615,820
Newport Road		21,670		754,830
Whipton Methodist Church		25,420		857,670
Bennett Square		22,320		769,790
Council Own Build - Land Purchase	13,190		300,000	313,190
<b>HOUSING REVENUE ACCOUNT TOTAL</b>	<b>(90,680)</b>	<b>717,290</b>	<b>9,090,030</b>	<b>12,644,940</b>
<b>CAPITAL AND PROJECT BUDGET TOTAL</b>	<b>2,358,930</b>	<b>3,939,970</b>	<b>12,283,860</b>	<b>21,511,060</b>

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## EXETER CITY COUNCIL

### SCRUTINY COMMITTEE – RESOURCES

19 JUNE 2013

EXECUTIVE

1 JULY 2013

COUNCIL

16 JULY 2013

### OVERVIEW OF REVENUE BUDGET 2012/13

#### 1. PURPOSE OF THE REPORT

- 1.1 To advise Members of the overall financial position of the HRA & General Fund Revenue Budgets for the 2012/13 financial year.

#### 2. HOUSING REVENUE ACCOUNT (Appendix A)

- 2.1 The final accounts show an overall increase in the HRA working balance from £5,764,423 to £6,290,297, an increase of £525,874 as compared with the planned increase of £2,320,270.
- 2.2 The reduction against budget is predominantly due to additional revenue contributions towards capital expenditure of £2.084 million in respect of both the acquisition of 6 flats at the former Royal Navy Store site and an increase to the kitchen and bathroom replacement programmes, This increase was approved by the Executive during the financial year.
- 2.3 The Major Repairs Reserve is 'ring fenced' for capital works. After transfers into the reserve (monies set aside from revenue) and transfers out of the reserve (financing capital expenditure) in respect of the 2012-13 accounts, the balance on the Major Repairs Reserve will stand at £2,269,806 at 31 March 2013.
- 2.4 The Council's new properties at Rowan House and Knights Place form part of the overall Housing Revenue Account, but separate income and expenditure budgets are maintained in order to ensure that they are self-financing. The total budget variances for 2012-13 have resulted in a net surplus of £45,292, which will be transferred to the COB working balance. This represents an increase of £27,722 compared to the budgeted transfer to the working balance of £17,570. After adding the surplus for 2012-13, the COB working balance will stand at £73,498 at 31 March 2013.

#### 3. GENERAL FUND (Appendix B)

- 3.1 Regular reports have been made each quarter on the estimated revenue outturn for each Scrutiny Committee. The final outturn has now been calculated and major differences from the approved annual budget are highlighted below.
- 3.2 During the year, redundancy costs of £445,736 have been charged to the General Fund. An earmarked reserve of £400,000 was set aside last year and has been able to cover most of these costs.
- 3.3 Whilst the senior management restructure was originally included in the budget as one line, the savings made have been included within each of the service committees and not against that line in the budget

3.4 The Service Committees show an overall underspend of £353,970 against a revised budget of £13,718,210 (see section 3.8 for further details).

### **Borrowing and Investments**

3.5 In addition to Service Committee net expenditure, interest receivable and payable is credited to the General Fund. The net interest paid was £114,395 less than the budget and this is discussed in the Treasury Management report elsewhere on the agenda. Interest rates remain historically low and this has had a positive impact on borrowing rates.

3.6 An investment gain has been recorded of £29,924 as a result of movements in foreign exchange rates on investments held in Iceland. A further investment gain has been made of £62,326 as higher than expected recoveries were made during the year from Landsbanki. As the original loss was capitalised, the gain has been written back against capital, which will reduce future repayments of debt. In 2012/13, a provision of £1,107,164 has been made for the total statutory repayment of debt.

3.7 Additional income has been received in the form of the New Homes Bonus of £1,322,665. The balance of funds, not spent on projects during the year, has been placed in an earmarked reserve.

3.8 The main Service Committee variations for the financial year are:

#### **General**

3.8.1 There has been a substantial underspend in respect of support services, which has been recharged across all services (£733,179).

#### **Economy & Development**

3.8.2 Income from Car Park fees was exceeded the budget by £197,000 and contributed to an overall saving of £220,544 against the budget.

3.8.3 Additional Planning Fee income has contributed to an underspend of £72,090. Both Estates and Markets & Halls have earned higher income than budgeted contributing to respective underspends of £256,220 and £56,020. In total the Committee has underspent by £773,611.

#### **Community & Environment**

3.8.4 Museums have overspent by £44,229, which has been contributed to by a larger than anticipated Business Rates bill against which the Council is appealing and increased costs of utilities.

3.8.5 Parks & Open Spaces overspent by £83,270, due to increased arboricultural work and increased costs of dealing with illegal campers.

3.8.6 General Fund Housing has overspent. Housing Advisory services overspent by £129,112, which has been partially offset by underspends of £6,358 and £50,190 on Housing Development and Private Sector Housing respectively.

3.8.7 Overall the Committee has overspent by £205,482.

### **Resources**

- 3.8.8 There has been an increase in the level of benefits paid, for which subsidy is not received, causing an overspend of £135,221, which has been more than offset by an increase in Housing Benefit overpayments recovery and by savings in Treasury Administration, which have left the service £316,432 under budget.
- 3.8.9 A revised scale of Audit fees has resulted in savings this year, which along with a reallocation of costs has contributed to an underspend of £149,781.
- 3.8.10 Overall the Committee has underspent by £234,917.

### **Revenue Contribution to Capital**

- 3.9 There has been a contribution of £282,194 from Revenue to fund Capital Expenditure, reflecting both money received, that previously was treated as a capital receipt and funds used from the New Homes Bonus to finance capital schemes.

### **Earmarked Reserves**

- 3.10 Four new earmarked reserves are being proposed:-
- 3.10.1 The award of £100,000 to the RAMM for winning Museum of the Year has been transferred to an earmarked reserve to be spent on a commission for the Museum and to attract additional funding towards future major temporary exhibitions (£100,000).
- 3.10.2 Funds have been set aside to cover any potential costs incurred in respect of the compensation claim for the RAMM. If the claim is successful the costs will be recovered (£500,000).
- 3.10.3 An earmarked reserve is to be created to cover potential further costs in respect of the Exe Harbour Review (£5,000).
- 3.10.4 Exeter Business against Crime has a small surplus, which has been transferred to an earmarked reserve for re-investment in the service in future years (£9,964.45)
- 3.11 Additions to Earmarked Reserves totalling £2,037,657 have been made for specific schemes and purposes as summarised below: -
- Scrutiny Committee – Community: £ 617,213
  - Scrutiny Committee – Economy: £ 97,779
  - Council £1,322,665

There has also been £909,309 transferred from Earmarked Reserves as follows:-

- Scrutiny Committee – Community: £200,110
- Scrutiny Committee – Economy: £204,397
- Scrutiny Committee – Resources: £275,928
- Revenue Contributions to capital: £228,874

3.12 During 2012/13 there has been an overall net contribution to Earmarked Reserves of £1,128,348 as shown in Appendix C.

3.13 The movement on Earmarked Reserves and the balance at 31 March 2013 are:

	Balance at 31 March 2012 £'000	Balance at 31 March 2013 £'000	Movement £'000
Earmarked Reserves	1,892	3,020	1,128

#### **General Fund Balance and Supplementary Budgets**

3.14 At 31 March 2012 the General Fund working balance was £4,285,425 and a deficit of £927,378 has been recorded at 31 March 2013, leaving the current balance at £3,358,047. This is an improvement of £134,080 against the budgeted use of balances. The minimum requirement for the General Fund working balance was approved by the Executive in February 2013 at £2million.

3.15 There is a small requirement for supplementary budgets in 2013/14; which is set out in 3.16 below.

3.16 The Council has identified at the end of the year a number of revenue budgets that have not been spent but where a commitment is required in the following financial year. Additionally a number of schemes to be funded by New Homes Bonus have been approved after the budget was set and these are included. It is therefore proposed that supplementary budgets totalling £287,860, identified in Appendix D are approved in 2013/14: -

- Scrutiny Committee – Resources; £ 6,000
- Scrutiny Committee – Community; £ 8,250
- Scrutiny Committee – Economy; £273,610

3.17 Taking into account the proposed supplementary budgets above, the uncommitted General Fund working balance at 31 March 2013 is £3,254,187 as the balance will be taken from earmarked reserves, specifically the New Homes Bonus reserve.

3.18 The Council is still faced with considerable financial challenges in the medium term particularly in respect of the significant reduction in grant as the new Government tackles the issue of reducing the national budget deficit.

#### 4. COUNCIL TAX

4.1 As at 1 April 2012, arrears amounted to £2.418m, the movements during 2012/13 were as follows:

	£m	£m
Arrears at 1 April 2012		2.418
Add:		
2012/13 debits raised net of discounts, benefits and transitional relief	48.766	
Less:		
Payments received	(48.996)	
Refunds and change in pre-payments	553	
Write-offs	<u>(187)</u>	
Arrears at 31 March 2013		<u>£2.554</u>

4.2 Against the arrears of £2.554m, a bad and doubtful debt provision of £825,000 has been provided, calculated in accordance with the appropriate accounting guidelines.

4.3 The 'In-Year' collection rate has decreased slightly in comparison with the previous year. The collection rate for 2012/13 was 97.3% compared with 97.4% in 2011/12.

#### 5. OUTSTANDING SUNDRY DEBT

5.1 The Council issues invoices for a range of sundry debts, including :-

- Commercial rent
- Trade waste
- Service charge and ground rent for leasehold flat owners
- Home call alarms
- Housing benefit overpayments
- and a range of other services

In these quarterly reports, comparisons are made to inform members of progress in recouping this debt. This does not include housing rent, council tax or business rate debt.

5.2 An aged debt analysis of the Council's sundry debts is shown in the table below. Debt over 30 days old has decreased over the year from £1.719m to £1.602m – a reduction of £117,000. Debts over 5 years old relate in the main to two services, Housing Benefit overpayments and Housing.

Age of Debt	March 2012	March 2013
Up to 29 days (current)	£1,320,699	£1,104,106
30 days – 1 Year	£ 831,060	£ 941,024
1 – 2 years	£ 344,792	£ 381,736
2 –3 years	£ 218,292	£ 192,661
3 – 4 years	£ 84,303	£ 155,925
4 – 5 years	£ 82,126	£ 59,427
5 + years	£ 158,614	£ 186,878
<b>Total</b>	<b>£3,039,886</b>	<b>£3,021,756</b>

5.3 Of the outstanding debt, the table below sets out the main services and debts owing:

	Outstanding debt – 31 March 2013 £
▪ Commercial rent	1,056,337
▪ Trade waste / Cleansing	285,664
▪ Service charge, ground rent and major works for leasehold flat owners	66,013
▪ Home call alarms	5,912
▪ Housing benefit overpayments*	1,203,527
▪ Leisure Services & Museums	50,474
▪ Markets & Halls	32,121
▪ AFU	5,944
▪ Economy & Tourism	88,002
▪ HRA	129,806
▪ General Fund Housing	46,065
▪ River & Canal	30,607

\*These overpayments occur largely due to changes to claimants' circumstances resulting in a lower benefit entitlement once a reassessment is made. This figure represents about 2.3% of the total annual benefits paid and in the order of 85% of this amount is recovered.

## 6. DEBT WRITE-OFFS

6.1 The following amounts have been written-off during 2012/13:

• Council Tax	£187,044
• Business Rates	£401,209
• Sundry Debt	£37,602
• Housing Rents	£ 10,004



## **7. CREDITOR PAYMENTS PERFORMANCE**

- 7.1 Creditors' payments continue to be monitored in spite of the withdrawal of Statutory Performance Indicator BVPI8. The percentage paid within 30 days was 94.79% for 2012/13 compared with 96.64% for 2011/12.

## **8. RECOMMENDATION**

It is recommended that Scrutiny Resources Committee and the Executive note the report and Council notes and approves (where applicable):

- 8.1 That the net transfer of £1,128,348 to Earmarked Reserves as detailed in paragraph 3.11 is approved.
- 8.2 That supplementary budgets of £287,860 be approved as detailed in paragraph 3.16
- 8.3 That Earmarked Reserves at 31 March 2013 be noted;
- 8.4 That the Council Tax account and collection rate be noted;
- 8.5 That the outstanding sundry debt, aged debt analysis and debt write-off figures be noted;
- 8.6 That the creditor payments performance be noted;
- 8.7 By taking into account the overall financial position of the Council as set out in paragraph 3.14 above, the General Fund working balance at 31 March 2013, be approved at £3,358,047;
- 8.8 That the Housing Revenue Account working balance at 31 March 2013 is approved at £6,290,297 and the Council Own Build working balance is approved at £73,498.

ACTING ASSISTANT DIRECTOR FINANCE

**Local Government (Access to Information) Act 1985 (as amended)**  
**Background papers used in compiling the report:**  
None

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HOUSING REVENUE ACCOUNT  
2012/13 REVENUE OUTTURN - SUMMARY

Code	Approved Annual Budget	2012-2013 Outturn	Variance To Budget
	£	£	£
85A1 Management	2,992,070	2,758,353	(233,717)
85A3 Sundry Lands Maintenance	262,170	266,314	4,144
85A4 Repairs Fund Contribution	9,924,020	12,440,488	2,516,468
85A6 Capital Charges	0	0	0
85A8 Rents	(17,387,550)	(17,926,755)	(539,205)
85B2 Interest	1,889,020	1,935,726	46,706
85B4 Variance in Working Balance	2,320,270	525,874	(1,794,396)
<b>Net Expenditure</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Working Balance</b>	<b>1 April 2012</b>	<b>31 March 2013</b>	
	£ 5,764,423	£ 6,290,297	

COUNCIL OWN BUILD SITES

Code	Approved Annual Budget	2012-2013 Outturn	Variance To Budget
	£	£	£
H006 Rowan House	(6,450)	(8,360)	(1,910)
H007 Knights Place	(36,400)	(44,919)	(8,519)
H008 Capital Financing	15,000	7,987	(7,013)
H009 Capital Charges	10,280	0	(10,280)
<b>Variance in Working Balance</b>	<b>17,570</b>	<b>45,292</b>	<b>27,722</b>
<b>Working Balance</b>	<b>1 April 2012</b>	<b>31 March 2013</b>	
	£ 28,206	£ 73,498	

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**GENERAL FUND  
2012/13 REVENUE OUTTURN - SUMMARY**

**APPENDIX B**

	Annual Budget £	Supplementary Budgets £	Revised Annual Budget £	Year End Outturn £	Variance to Budget Q4 £	Variance to Budget Q3 £
SCRUTINY - COMMUNITY	13,552,090	55,200	13,607,290	13,841,979	234,689	(185,060)
SCRUTINY - ECONOMY	(2,537,130)	71,060	(2,466,070)	(3,239,681)	(773,611)	(775,660)
SCRUTINY - RESOURCES	6,094,780	12,000	6,106,780	5,882,712	(224,068)	161,250
Senior Management Restructure	(500,000)		(500,000)	0	500,000	500,000
less Notional capital charges	(3,029,790)		(3,029,790)	(3,080,714)	(50,924)	0
<b><u>Service Committee Net Expenditure</u></b>	<b>13,579,950</b>	<b>138,260</b>	<b>13,718,210</b>	<b>13,404,296</b>	<b>(313,914)</b>	<b>(299,470)</b>
Net Interest	150,000		150,000	35,605	(114,395)	(66,000)
Investment gain	0		0	(29,924)	(29,924)	0
Local Services Support Grant	(505,470)		(505,470)	(505,470)	0	0
New Homes Bonus	(1,322,665)		(1,322,665)	(1,322,665)	0	0
Minimum Revenue Provision	1,076,000		1,076,000	1,107,164	31,164	31,164
Revenue Contribution to Capital	0		0	282,194	282,194	0
Municipal Mutual Insurance Levy	0		0	80,000	80,000	0
<b><u>General Fund Expenditure</u></b>	<b>12,977,815</b>	<b>138,260</b>	<b>13,116,075</b>	<b>13,051,199</b>	<b>(64,876)</b>	<b>(334,306)</b>
Transfer To/From(-) Working Balance	(923,198)	(138,260)	(1,061,458)	(927,378)	134,080	535,603
Transfer To/From(-) Earmarked Reserves	1,197,065		1,197,065	1,128,348	(68,717)	(200,810)
<b><u>General Fund Net Expenditure</u></b>	<b>13,251,682</b>	<b>0</b>	<b>13,251,682</b>	<b>13,252,169</b>	<b>487</b>	<b>487</b>
Formula Grant	(8,257,807)		(8,257,807)	(8,257,807)	0	0
Council Tax Freeze Grant	(237,283)		(237,283)	(237,770)	(487)	(487)
<b><u>Council Tax Net Expenditure</u></b>	<b>4,756,592</b>	<b>0</b>	<b>4,756,592</b>	<b>4,756,592</b>	<b>0</b>	<b>0</b>

**March 2013**

**3,358,047**

**£ 4,285,425**

**March 2012**

**Working Balance**

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**Transfers from Reserves**

81A6	Countryside Grants	(15,331.00)
81A8	Isca Bowls	(30,000.00)
81C2	Devon Home Choice	(90.11)
83A2	Green Travel	(2,648.46)
83A5	Olympics events	(22,000.00)
83B5	Planning Delivery	(16,550.09)
83B5	Local Development Framework	(10,440.37)
83B5	Habitat Assessment	(1,140.00)
83B7	AFU Archiving	(33,902.51)
86A5	Strategic Review	(42,239.00)
	New Homes Bonus funded schemes	(334,967.40)
	Redundancy	(400,000.00)
		<b>(909,308.94)</b>

**Transfers to Reserves**

81A3	Vehicle Licensing	17,213.68
81A7	RAMM Museum of the Year Award	100,000.00
81A7	RAMM Costs	500,000.00
83A4	EBAC	9,964.45
83A9	Building Control	62,005.29
83B7	AFU Archiving	20,808.92
83C1	River & Canal	5,000.00
	New Homes Bonus	1,322,665.00
		<b>2,037,657.34</b>

Net transfer to / (from) Earmarked Reserves **1,128,348.40**

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Funded by

<b>Resources</b>			
86B5	Replacement of Staff Uniforms	General Fund Balance	6,000
			<u><u>6,000</u></u>
<b>Community and Environment</b>			
81C4	Condition Survey	General Fund Balance	8,250 each of next 4 years
			<u><u>8,250</u></u>
<b>Economy &amp; Development</b>			
83B9	Bus & Coach Station Site	New Homes Bonus	50,000
	Exeter & Heart of Devon Funding	New Homes Bonus	80,000
	Promotional Video	New Homes Bonus	9,000
	City Centre BID	New Homes Bonus	25,000
83B4	Knowledge Economy Strategy	New Homes Bonus	20,000
	AIM Carry forward	General Fund Balance	89,610
			<u><u>273,610</u></u>
			<u><u>287,860</u></u>
	<b>Overall Total</b>		

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# Agenda Item 6

## EXETER CITY COUNCIL

### SCRUTINY COMMITTEE – RESOURCES 19 JUNE 2013

EXECUTIVE  
1 JULY 2013

COUNCIL  
16 JULY 2013

### TREASURY MANAGEMENT – 2012/13

#### 1. PURPOSE OF REPORT

- 1.1 To report the overall performance for the 2012/13 financial year and the position regarding investments and borrowings at 31 March 2013.

#### 2. FINAL NET INTEREST POSITION

- 2.1 The General Fund shows an improvement against the estimate for net interest payable, the position is:

	Estimate		Actual	Variation
	£		£	£
<b>Interest paid</b>	125,000		48,080	(76,920)
<b>Interest earned</b>				
Temporary investment interest	(36,000)		(62,060)	(26,060)
Other interest earned	(1,750)		(844)	906
Less				
Interest to HRA	52,500		40,183	(12,317)
Interest to s106 agreements	8,000		7,229	(771)
Interest to Trust Funds	2,250		2,994	744
Lord Mayors Charity	0		23	23
GF interest received	25,000		(12,475)	(37,475)
<b>GF Net interest paid</b>	<b><u>150,000</u></b>		<b><u>35,605</u></b>	<b><u>(114,395)</u></b>
<b>Investment Gain – General Fund</b>	<b>0</b>		<b>(29,924)</b>	<b>(29,924)</b>
<b>Investment Gain - Capital</b>	<b>0</b>		<b>(62,326)</b>	<b>(62,326)</b>

- 2.2 The other interest earned relates to car loan repayments. The investment gain of £29,924 relates to a gain on the foreign exchange rates, relating to the two investments repaid in Icelandic Krona, which due to currency restrictions remain invested in Iceland. Additionally an investment gain has been recognised totalling £62,326 on the value of the Landsbanki investment. As the loss was originally capitalised this gain has been written off against the initial capital expenditure and will reduce our provisions for repaying debt in future years.

- 2.3 The HRA has earned £40,183 interest on its balances. This is calculated on the following:
- HRA working balance;
  - the balance of funds in the Major Repairs Reserve.

However it has also had to pay interest on borrowing this year. As members will be aware, the Council has had to borrow £56,884,000 to buy itself out of the HRA subsidy scheme. Interest of £1,979,563 has been charged to the HRA to cover the interest payment. Additionally £7,987 has been charged on the borrowing used to fund the Council's Own Build properties.

- 2.4 Two principal factors have caused the underspend against budget for net interest payable. Please see section 3.1 for an explanation.

### **3. INVESTMENT INTEREST**

- 3.1 Interest rates remain at record low levels and indications are that they will remain at this level for several years. This has caused borrowing rates from other Local Authorities to drop to around 0.5% for one year money. This has reduced the cost of borrowing to the Council significantly. Additionally, the investments that remain held in Iceland have benefitted from relatively high rates of interest (over 4%) and favourable foreign exchange rates. This has meant significantly higher than budgeted investment income for the year.

- 3.2 There has been much progress in respect of recovering the £5m invested in two Icelandic banks back in late 2007. The Supreme Court in Iceland upheld the ruling that Local Authorities were priority creditors and the two banks have commenced payments. Further details are set out below.

#### **3.3 Glitnir**

Glitnir repaid in full the funds invested during 2011-12. However the proportion that was repaid in Icelandic Krona remains invested in Iceland owing to currency controls that restrict the movement of Krona out of Iceland. The money is currently invested at 4.2% and during the year has earned £16,518 interest and gained £28,302 in Foreign Exchange movements taking the total value of the investment to £427,387.

#### **3.4 Landsbanki**

Landsbanki have continued to make repayments during 2012-13. A further £576,040 has been repaid, all of which has been repaid in currencies that the Council has been able to convert into Sterling. This means that £1.527m has now been repaid and £1.472m plus interest of £189,000 is outstanding. It is still anticipated that the Council will recover 100% of the funds invested plus the interest. Of the funds repaid, only a small amount remains in Iceland and totals £24,504. It is expected that full recovery will take a number of years and the best estimate for the final return of all funds is 2019.

#### **4. BORROWINGS**

- 4.1 The Council has had to borrow temporarily for cashflow purposes throughout the year and incurred interest of £56,067 during the year. Of this £7,987 has been allocated against the Council Own Build scheme (HRA). Interest rates have remained very low throughout the year. At 31 March 2013, the Council had £15m of short term borrowing, an increase of £7m over last year.
- 4.2 The Council has borrowed £56,884,000 long-term to cover the payment required by the Government in respect of the HRA self-financing scheme. The money has been borrowed from the Public Works Loans Board (PWLB) over 50 years and is repayable on maturity in March 2062. The interest rate is 3.48% and annual interest payments are £1,979,563.

#### **5. FUTURE POSITION**

- 5.1 As interest rates remain very low, the Council will continue to use short term borrowing to manage its cashflow. Current rates for borrowing are approximately 0.5% for up to 1 year. Borrowing over 25 years through the Public Works Loans Board costs around 4.16% for a loan repayable on maturity or 3.38% for a loan with equal repayments of the loan principal throughout the term of the loan. The Council has applied for the Government's new certainty interest rate, which is 0.2% lower than the normal PWLB rates, this is offered in return for us setting out our borrowing plans for the forthcoming year.
- 5.2 The internal investment strategy has been tightly restricted to UK only banking operations meaning that it is difficult to invest at the moment. The Council is planning to open a Money Market Fund which is AAA rated and offers around 0.38%, and a call account with Barclays offering 0.5% for the average annual balance. We will also lend to other Local Authorities and the Debt Management Office. However the rates received are between 0.25% and 0.3%, which will continue to have an adverse impact of the interest earned by both the General Fund and the HRA.
- 5.3 During the year it is likely that further repayments will be made by Landsbanki, and the LGA and their legal advisers continue to seek a resolution to the funds held in Icelandic Krona.

#### **6. RECOMMENDATION**

- 6.1 That Scrutiny and Executive support and Executive recommend to Council the Treasury Management report for the 2012/13 financial year.

ACTING ASSISTANT DIRECTOR FINANCE

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

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

None

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## EXETER CITY COUNCIL

### SCRUTINY RESOURCES 19 JUNE 2013

EXECUTIVE  
1 JULY 2013

COUNCIL  
16 JULY 2013

## CONSULTATION & NEGOTIATION FRAMEWORK

### 1. PURPOSE OF REPORT

- 1.1. To establish a framework for undertaking effective, timely and meaningful consultation and negotiations at the Council for incorporation into the Council's Constitution.

### 2. BACKGROUND

- 2.1. The Employee Liaison Forum is a consultative committee only, and therefore does not provide for negotiations and collective consultation (as defined in section 195 of the Trade Union and Labour Relations (Consolidation) Act 1992) arrangements at the Council. As such, the Council has no agreed framework with the recognised trades unions to negotiate changes to existing terms and conditions of employment. Whilst it is possible to undertake negotiations with the trades unions, there is a risk that the negotiated change would be unenforceable if decided upon without an agreed framework.
- 2.2. The Council is currently seeking to introduce a flexibility clause for incorporation into its Single Status Agreement, and may also need to make changes to other locally agreed terms and conditions of employment in the future. Such changes will require negotiations with the recognised Trades Unions.
- 2.3. In addition, should the Council need to make changes to the workforce resulting in the dismissal of 20 or more employees (be that through redundancy or dismissal and re-engagement on new terms and conditions of employment) within a 30 day period, a framework for collective consultation also needs to be established.
- 2.4. The introduction of negotiation and collective consultation arrangements will require agreement at full Council as its implementation will require amendments to the Constitution.
- 2.5. Discussions have commenced with the unions to introduce a consultation and negotiation framework attached as Appendix 1. This arrangement would seek to incorporate the consultation and Health and Safety elements associated with the existing Employee Liaison Forum as a more frequent and effective means of undertaking consultation at the Council, as well as introducing a means of conducting negotiations and collective consultations. Indications from the three recognised Trades Unions are that they would be in favour of the proposal outlined.

### **3. RECOMMENDATIONS**

- 3.1. The proposed constitution for a joint Consultation and Negotiation Committee as set out in Appendix 1 be agreed for adoption in place of the Employee Liaison Forum, following agreement with the recognised Trade Unions;
- 3.2. To delegate to the Corporate Manager Democratic and Civic Support all consequential amendments required to the Constitution.

HUMAN RESOURCES BUSINESS MANAGER

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

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

None



**DRAFT**  
**JOINT CONSULTATION & NEGOTIATION COMMITTEE**

**EXETER CITY COUNCIL**

1. This is a constitutional agreement between Exeter City Council (the Council) and UNISON, Unite the Union and UCATT (Union of Construction, Allied Trades and Technicians) (the recognised unions). During the operation of this constitutional agreement, these unions only will be recognised for collective bargaining purposes.

The Council recognises the role of the recognised unions party to this agreement in representing the interests of their members and organising and recruiting into membership.

2. With effect from [TBA], a Joint Consultation & Negotiation Committee (the Committee) for the Council will be established with the constitution and functions set out in the attached Joint Consultation & Negotiation Committee Constitution.
3. Any provision of this constitutional agreement may be amended from time to time by agreement of all the signatory parties. The constitutional agreement itself will remain in force until such time as it is terminated by six months notice in writing given by either side to the other side's Joint Secretary.
4. Any of the recognised unions may withdraw from the Committee by giving six months' notice in writing. In the event of any of the recognised unions serving notice to withdraw, those union(s) may not be afforded separate bargaining rights.

SIGNED on behalf of Exeter City Council .....

SIGNED on behalf of  
UNISON .....

SIGNED on behalf of the  
Unite the Union .....

SIGNED on behalf of  
the UNION OF CONSTRUCTION,  
ALLIED TRADES AND TECHNICIANS .....

HR

6 June 2013

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Date: .....

## **JOINT CONSULTATION & NEGOTIATING COMMITTEE**

### **CONSTITUTION**

#### **1. COMPOSITION**

- a. The Joint Consultation & Negotiating Committee (the Committee) shall consist of a maximum of 6 members appointed as shown below:-

Council Members	Strategic Management Team	2
	HR Business Manager	1
Recognised Union Members:-	UNISON	2
	Unite the Union / UCATT	1
Total		6

- b. In addition, the Leader of the Council and/or Portfolio Holder for HR and Business Transformation will be invited to attend the Committee on an ex officio basis.
- c. The Council and the recognised trade unions shall review their nominations for membership annually in [TBA – anniversary of implementation] each year. Casual vacancies may be filled as they arise.

#### **2. DATE OF OPERATION**

The members of the Committee shall carry out their constitutional functions with effect from [TBA].

#### **3. FUNCTIONS**

##### General

- a. To promote a good and stable employment relations climate throughout the Council.

##### Negotiating

- b. The negotiation of any variations or agreements relating to employees who fall within the National Joint Council for Local Government Services National Agreement on Pay and Conditions of Service NJC National Agreement (Part 3 matters / local conditions of service); and the Joint Negotiating Committee's

for Chief Officers of Local Authorities and Local Authority Chief Executives to be incorporated into employment contracts via collective agreement(s).

#### Consultative

- c. The introduction of / changes to employment policies, working practices, organisation design and physical working conditions at a corporate level, together with Health & Safety matters referred by the JNC for Health & Safety and any other item which both sides agree to refer
- d. Collective consultation in respect of Redundancy as defined in section 195 of the Trade Union and Labour Relations (Consolidation) Act 1992, and TUPE as defined in the Transfer of Undertakings (Protection of Employment) Regulations 2006 (SI 2006/246)

The Committee will not consider any matter concerning an individual employee such as discipline, grievance, promotion or capability, pay and grading and payroll matters.

#### 4. **QUORUM**

A Quorum shall consist of two representatives from the Council and two of the trade unions' representatives which will be from at least two trade unions.

#### 5. **SUBSTITUTES**

A substitute may be nominated to attend a meeting of the Committee on behalf of any member. The substitute will have the same powers as appointed members. Any trade union substitute must be nominated by his/her trade union and must be either a full time officer or an accredited official of that recognised trade union.

#### 6. **CHAIRPERSON**

The meetings will be chaired by a representative from the Council.

#### 7. **JOINT SECRETARIES**

One Joint Secretary shall be nominated by the Council and one by the trade unions in May each year. The Joint Secretaries will be responsible for the production of a record of meetings of the Committee.

#### 8. **POWER TO CO-OPT**

The Committee may co-opt any person or persons with special knowledge to assist them in carrying out its functions. Such persons shall have no right to vote.

The Committee may set up joint Working Groups to exercise any of its functions or business within terms of reference delegated by the Committee.

9. **FREQUENCY OF MEETINGS**

Meetings shall be held monthly. Provisional dates for meetings will be set in May each year.

DRAFT

## **FACILITIES FOR MEETINGS**

The Council will provide facilities and accommodation for holding meetings of the Committee, including pre-meetings.

Meetings will be held during normal working hours and the trade unions' lay representatives will be paid their normal salary for the time spent at and travelling to and from such meetings and any reasonable associated expenses. Any travelling time outside normal hours will be compensated in the form of equivalent time off in lieu.

## **10. AGENDAS AND RECORDS OF MEETINGS**

The Joint Secretaries will circulate Agendas no later than 10 working days before the date of the meeting. The Agenda will specify which items are matters for joint negotiation and which items are matters for consultation. An unconfirmed record of each meeting will be circulated as soon as possible after each meeting but certainly within 20 working days of the meeting.

## **11. BUSINESS MATTERS**

No business shall be transacted at any meeting of the Committee or any sub-group unless notice has been given to the Joint Secretaries before the Agendas are circulated. The Chairperson may allow consideration of an item of business which in his/her opinion is of sufficient importance or urgency to justify consideration at that meeting.

## **12. AGREEMENTS / ADOPTION OF RESOLUTIONS**

Agreements reached between the recognised trades union members and Council members of the Committee and/or decisions taking in relation to 3 a, c and d on matters delegated to Officers shall be adopted / implemented. Where authority has not been delegated to Officers, such agreements will be referred to Scrutiny Committee (Resources) and / or Executive for resolution / adoption.

Agreements in relation to item 3(b) of this constitution shall be reached by vote. Each Council appointed member will have one vote. Each trade union appointed member will have one vote. Those in attendance on an ex-officio basis are not eligible to vote. Union representatives will have the delegated power to agree on behalf of their Membership. Each side of the Committee being in favour (by majority on each side) will constitute an agreement for resolution at Executive Committee to be adopted and binding on both sides.

Agreements will be incorporated into employment contracts for employees covered by the National Joint Council for Local Government Services National Agreement on Pay and Conditions of Service and, as appropriate, other occupational groups covered by the Council's single status agreement.

All efforts will be made to reach agreement, including the involvement of full-time Officers of the recognised Trades Unions through substitution arrangements contained in this Constitution. Where agreement on matters of negotiation cannot be reached the matter will be referred to the South West Provincial Council for conciliation.

### 13. **FINANCE**

The Council will meet the administrative expenses associated with meetings of the Committee.

DRAFT

## EXETER CITY COUNCIL

EXECUTIVE  
1 JULY 2013

COUNCIL  
16 JULY 2013

### PAY BY PHONE PARKING

#### 1 PURPOSE OF REPORT

- 1.1 To seek Members' approval to introduce mobile phone 'cashless' parking in City Council car parks.

#### 2 BACKGROUND

- 2.1 In recent years an increasing number of local authorities and other organisations (in particular the rail network) have introduced a system of paying for parking by mobile phone. As a result it has become a well established payment option that is seen to have significant advantages for customers, avoiding the need for them to carry large amounts of loose change and providing the facility for parking periods to be topped-up remotely. Essentially the system works by customers dialling a local rate number (displayed on car park signs) and paying for the parking they require via pre-registered credit or debit card. The supplier makes their profit by charging a "convenience fee" to the customer for every mobile transaction that is made.
- 2.2 Officers have been approached periodically over the years by various providers anxious to offer this service in the Council's off-street car parks. Historically, these discussions have not progressed as the business case, up until now, has not been persuasive (the downside for the Council being the proportion of parking income that is lost as a result of the traditionally high merchant costs associated with the credit and debit card transactions). However, competitive pressures have now driven merchant costs down significantly to the point where the system has become a more viable business proposition.
- 2.3 Viewed in terms of the Council's key strategic objectives around economic growth and supporting successful businesses, it is clear that a system of 'cashless' parking has many advantages and is likely to enhance Exeter's image as a destination of choice. It would also extend the flexibility of payment options beyond what is already provided in some locations by pay-on-foot, with the result that people's shopping and visiting times would not be curtailed by concerns about overstaying their parking periods. The system is already in operation in most on-street locations in the city and has also been introduced in a number of neighbouring local authorities. In light of all these considerations, officers believe it is appropriate to recommend that the 'pay by phone' system now be introduced to the City Council's pay & display car parks.
- 2.4 Because there are several competing providers of cashless parking, and there is potentially substantial value to the contractor as a result of the convenience fees attached to mobile phone transactions, there will be a need to tender for the contract in order to comply with procurement regulations. It is anticipated that the contract can be awarded and the system in place by 1 October 2013 or as soon as possible thereafter, and that the initial contract be set up to run until December 2015 (with the option of further extension for one year). This would enable any continuing arrangements to be negotiated in partnership with other local authorities which currently have separate contracts, but where a joint procurement framework in future may be able to deliver economies of scale and drive down merchant costs still further.

- 2.5 The Council's Parking Places Order will also need to be amended to reflect the introduction of the 'pay by phone' system and, as is usual practice, it is recommended that authority to consider any objections be delegated to officers in consultation with the Leader of the Council and the Portfolio Holder for City Development.

### **3 FINANCIAL IMPLICATIONS**

- 3.1 The financial implications for the Council are difficult to quantify precisely at this stage as they will depend upon the merchant costs offered by the successful contractor and the level of take up by customers. However, for the purposes of giving Members an indication of financial impact, experience elsewhere suggests that merchant costs will be approximately 3.5% of card income and take-up (in the first year) around 8% of customers. The potential loss of income in the first year, therefore, would be expected to be of the order of £14,850 (from total fee income of c. £5.3m).

### **4 RECOMMENDATION**

#### 4.1 That Members

- (i) approve the introduction of 'pay by phone' to City Council pay & display car parks from 1 October 2013 (or as soon as possible thereafter) and authorise officers to tender and let an initial contract until December 2015 (with the option of extension for a further year).
- (ii) approve an Amendment to the City of Exeter (Civil Enforcement Off Street Parking Places) Order 2012 to enable 'pay by phone' parking and authorise the Assistant Director Public Realm in consultation with the Leader of the Council and Portfolio Holder for City Development to consider any objections to the amended Order.
- (iii) agree that, subject to consideration of any objections, the Order be made and sealed.

**ROGER COOMBES**  
**ASSISTANT DIRECTOR PUBLIC REALM**

**Local Government (Access to Information) Act 1972 (as amended)**  
**Background papers used in compiling this report:-**

None



1 JULY 2013

**FREEDOM OF THE CITY FOR THE ROYAL AIR FORCE**

**1. BACKGROUND**

- 1.1 The Local Government Act 1972 Section 249, gives Local Authorities the power to bestow the Freedom of the City on any military organisations which it feels have an appropriate link with the City.
- 1.2 Members will be aware that at present this honour has been given to The Commando Training Centre, Royal Marines, Lympstone; 243 (The Wessex) Field Hospital (Volunteers); The Rifles; The Coldstream Guards and HMS Defender.
- 1.3 These organisations regularly exercise their Freedom of the City with the most recent being the 243 (The Wessex) Field Hospital who did so on 20<sup>th</sup> April 2013 following its return from a deployment in Afghanistan.

**2. THE ISSUE**

- 2.1 A request has been received from a member of the public to consider the granting of the Freedom of the City to the Royal Air Force to recognise and acknowledge the Force's role in the City and County, particularly during World War Two. A more detailed gazetteer of its involvement in the wider county is attached to this report.
- 2.2 Bearing in mind the organisations which have most recently been bestowed with this honour, and the fact that all aspects of the armed forces with the exception of the RAF, have been honoured, it seems incongruous that the RAF is not included.
- 2.3 However, as the attached appendix shows, there is currently no RAF presence within the City, nor indeed within the County, so an approach was made to the Ministry of Defence to ascertain the best way for this matter to proceed.
- 2.4 In reply, the Minister of State for Defence Personnel, Welfare and Veterans in consultation with the RAF itself, has suggested that RAF Brize Norton would be the most appropriate station to take this forward, and an approach has been made to its Head of Establishment to progress this at the earliest opportunity.
- 2.5 RAF Brize Norton in Oxfordshire is the largest Station in the RAF and has approximately 6000 service personnel and 1400 MOD civil servants and contractors. It is the home of the Air Mobility Squadrons and is the 'gateway to operations', as the main airport used for deploying UK troops Worldwide. It is also the station used for the repatriation of all United Kingdom Servicemen who have been lost in action and is the closest RAF station to Exeter.

**3. THE PROPOSAL**

- 3.1 It is considered appropriate that RAF Brize Norton be bestowed the honour of the Freedom of the City in recognition of the important role that the RAF has and continues to play in military involvement in the City and County.
- 3.2 An appropriate ceremony at which the Freedom of the City would officially be presented to RAF Brize Norton will be arranged as soon as practicably possible. As part of this ceremony, a scroll will be presented, prior to a march through the City by appropriate airmen.
- 3.3 Freedom of the City entitles the RAF to parade through the City on future occasions with "drums beating, colours flying and bayonets fixed."
- 3.4 The RAF will then be added to the organisations who will be invited to participate in Civic events such as Remembrance Sunday and Armed Forces Day, therefore ensuring all aspects of the armed forces are so represented.

#### **4. RECOMMENDATION**

- 4.1.1 That the Lord Mayor be requested to convene an Extraordinary meeting of the Council for the sole purpose of considering the matter of bestowing the honour of the Freedom of the City of Exeter on the Royal Air Force, and in particular RAF Brize Norton .

John Street  
CORPORATE MANAGER, DEMOCRATIC & CIVIC SUPPORT

June 2013.

# THE ROYAL AIR FORCE IN DEVON

An Interim Gazetteer



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50 Southbrook Road, Exeter, Devon, EX2 6JE

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RAF Exeter Memorial at Exeter International Airport;  
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Aircraft Dispersal Pens, Harrowbeer.

# THE ROYAL AIR FORCE IN DEVON

The Royal Air Force (RAF) was formed on 1 April 1918 by a merger of the Royal Naval Air Service (RNAS) and the Royal Flying Corps (RFC). Since that date the RAF has had a significant presence in Devon. This document presents a brief gazetteer of its stations and sites. The dates quoted represent the consensus of opinions of the numerous sources consulted, which do not always agree. A study of the Operations Record Books in the National Archives at Kew has not yet been undertaken, except in the case of the twelve air-defence radar stations.

## THE FIRST WORLD WAR AND BEYOND

RAF Mount Batten	A seaplane base was established at Mount Batten by the RNAS in 1917. Flying-boats were later introduced. Originally known as RNAS Cattewater, the site became RAF Cattewater, and then in 1929 assumed the name RAF Mount Batten.
RAF Prawle Point	A small coastal reconnaissance airfield was formed by the RNAS in 1917 and this became RAF Prawle Point. Disbanded in 1919.
RAF Torquay	A seaplane station and a kite balloon site were established in 1918 at the harbour, with a kite observation station at Berry Head.
RAF Westward Ho!	Established in 1918 on Northam Burrows, the station's role was that of coastal reconnaissance. Disbanded 1919.

## THE SECOND WORLD WAR AND BEYOND

### 1. AIRFIELDS

	<i>Operational from</i>	<i>Site closure or cessation of operations</i>	<i>Principal role/users</i>
RAF Bolt Head	1941	1945	10 Group Forward Operating Base.
RAF Chivenor	1940	1994	North Devon Airport requisitioned by Air Ministry. Coastal Command station, then Fighter Command. Now a base for the Royal Marines, but home to an RAF Air-Sea Rescue Flight (A Flight, 22 Squadron).
RAF Dunkeswell	1943	1949	RAF Station, mostly used by United States Navy in WWII.
RAF Exeter	1940	1946	A civil site requisitioned by the Air Ministry. Fighter Command (10 Group) airfield. USAAF troop carriers in 1944.
RAF Folly Gate	1928	1945	Sometimes referred to as RAF Okehampton. Army Co-operation. Forward Holding Unit (aircraft spares). Some army co-operation activity post 1945.

Haldon	1940	1950	Pre-war civil aerodrome requisitioned by the Air Ministry and used by a research unit, but no reference traced to the site being named RAF Haldon. Passed to the Admiralty in 1941 as a satellite to <i>HMS Heron</i> (RNAS Yeovilton).
RAF Harrowbeer	1941	1946	Fighter Command (10 Group) airfield. Satellite of RAF Exeter.
RAF Mount Batten	1917 (see above)	1992	Coastal Command Sunderland base in WWII. HQ RAF 19 Group. Marine Craft Unit. School of Combat Survival and Rescue.
RAF Roborough	1940	1946	Civil airfield requisitioned by Admiralty, but became an RAF station in 1942 under Coastal Command.
RAF Upottery (aka Smeatharpe)	1944	1948	USAAF troop carriers, gliders and D-day embarkation. RAF Maintenance Command store post WWII.
RAF Winkleigh	1943	1948	10 Group Fighter Command. USAAF pre-invasion exercises.

## 2. RAF AIR-DEFENCE RADAR STATIONS

RAF Beer Head	1941-1946	Chain Home Low.
RAF Bolt Tail	1942-1947	Chain Home Low.
RAF Branscombe	1940-1945	Chain Home.
RAF Exminster	1941-1956	Ground Controlled Interception. Limited activity until mid 1950s.
RAF Hartland Point	1941-1983	Chain Home Low. Post-war Ground Controlled Interception and Chain Home Extra Low. Air-to-air gunnery range surveillance.
RAF Hawks Tor	1940-1942	Chain Home. Reserve station for RAF Downton.
RAF Hope Cove	1941-1958	Ground Controlled Interception. Post-war operated from a Cold War semi-underground (ROTOR) bunker. School of Fighter Control. Passed to Home Office in 1958 as <i>inter alia</i> a Regional Seat of Government.
RAF Kingswear	1941-1946	Chain Home Low.
RAF Northam	1941-1944	Chain Home.
RAF Start Point	1942-1946	Chain Home Extra Low.
RAF West Prawle	1942-1958	Chain Home. Limited Cold War role until 1958.
RAF Wrafton	1941-1946	Ground Controlled Interception.

### 3. "Y" STATIONS

"Y" Stations were secret listening posts established at strategic locations in the UK and beyond. Personnel at these stations intercepted the enemy's radio communications, both Morse code and spoken, and all such intercepts were transmitted to the British Government's wartime Code and Cypher School at Bletchley Park, and, where appropriate, to other bodies.

Strete		Further research necessary.
Lydford	1936-1945	Interception of German communications and direction finding.

### 4. NAVIGATIONAL AID SITES

Ground navigational systems (eg Gee and Oboe) transmitted signals that (a) enabled an aircraft to fix its position *en route* to a target or (b) directed an aircraft to its target.

RAF Sharpitor	1942 (?) -1971	Gee Station.
RAF West Prawle	1951 (?) -1957	Gee Station.
RAF Plympton		It is understood that No. 480 Signals Unit operated a direction-finding site at Plympton in the 1950s. Further research necessary.

### 5. THE RAF IN SIDMOUTH

Medical Training Establishment and Depot	Dates not yet established.
RAF Regiment Officer Cadet Training School	1942-1943
Aircrew Training School.	1943-1945

### 6. THE RAF IN TORQUAY

No. 39 Air-Sea Rescue Marine Craft Unit	1942-1944	
Initial Training Wing		
Convalescent Hospital (Palace Hotel)	1939-1943	(Abandoned as a result of enemy raids.)

### 7. BALLOON SITES

During WWII barrage balloons sites appeared around vulnerable areas such as Plymouth and Exeter to deter low-flying invading aircraft. The principle was to force such aircraft to fly high to avoid these obstructions, thus putting them within range of RAF fighters and army anti-aircraft batteries. No research yet undertaken.

### 8. AIR-SEA RESCUE MARINE CRAFT UNITS

No. 38 Exmouth	
No. 39 Torquay (see above)	
No. 41 Salcombe	
No. 43 Mount Batten (see above)	

## 9. ROYAL AUXILIARY AIR FORCE UNITS

No. 3512 (County of Devon - Exeter)	1948-1957	Fighter Control Unit based at Duryard in Exeter.
No. 3513 ( County of Devon - Plymouth)	1948-1957	Fighter Control Unit based at Raglan Barracks, Plymouth.
No. 3 (County of Devon) Maritime HQ Unit	1959-1999	Initially based at RAF Mount Batten but later located at RAF St Mawgan in Cornwall on the closure of Mount Batten. Merged in 1999 with No. 1 HQ Unit to become No. 600 (City of London) Squadron at RAF Northolt.

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