



Exeter City Council

To the Chair and Members
of the Executive

Please ask for: Sarah Selway

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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 **TUESDAY 17 SEPTEMBER 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 **MINUTES**

To sign the minutes of the meetings held on 18 June 2013 and 1 July 2013.

3 **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.

4 **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 item 14 on the grounds that it involves the likely disclosure of exempt information as defined in paragraph 3 of Part I, Schedule 12A of the Act.

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- 5 **ASSET MANAGEMENT REVIEW - HOUSING GARAGE SITES**
- To consider the report of the Assistant Director Housing and Contracts. 5 - 8
- Scrutiny Committee – Community considered the report at its meeting on 3 September 2013 and its comments will be reported.
- (Report circulated)
- 6 **HOME ENERGY CONSERVATION REPORT & ENERGY COMPANY OBLIGATION FUNDING**
- To consider the report of the Assistant Director Environment. 9 - 18
- Scrutiny Committee – Community considered the report at its meeting on 3 September 2013 and its comments will be reported.
- (Report circulated)
- 7 **LOCAL AIR QUALITY MANAGEMENT AIR QUALITY ACTION PLAN 2011-2016 & AIR QUALITY PROGRESS REPORT**
- To consider the report of the Assistant Director Environment. 19 - 24
- Scrutiny Committee – Community considered the report at its meeting on 3 September 2013 and its comments will be reported.
- (Report circulated)
- 8 **CITY CENTRE STRATEGY FOR EXETER 2013-2022**
- To consider the report of the Assistant Director Economy. 25 - 56
- Scrutiny Committee – Economy considered the report at its meeting on 5 September 2013 and its comments will be reported.
- (Report circulated)
- 9 **PROPOSED DRAFT AMENDED SUPPLEMENTARY PLANNING DOCUMENT: 'HOUSES IN MULTIPLE OCCUPATION (INCLUDING CLASS C4 USES)' FOR PUBLIC CONSULTATION**
- To consider the report of the Assistant Director City Development. 57 - 66
- (Report circulated)

- 10 **COMMUNITY INFRASTRUCTURE LEVY ADOPTION AND AFFORDABLE HOUSING SUPPLEMENTARY PLANNING DOCUMENT REVISION**
- To consider the report of the Assistant Director City Development. 67 - 96
- (Report circulated)
- 11 **PROPOSED RESPONSE TO THE TECHNICAL CONSULTATION 'NEW HOMES BONUS AND THE LOCAL GROWTH FUND**
- To consider the report of the Chief Executive & Growth Director. 97 - 100
- (Report circulated)
- 12 **CHANGES TO PORTFOLIO HOLDERS**
- To note the changes to the Portfolio Holders responsibilities. 101 - 106
- (Report circulated)
- 13 **APPOINTMENT OF REPRESENTATIVES TO SERVE ON OUTSIDE BODIES**
- To consider the appointment of representatives to serve on the outside bodies set out in the schedule. 107 - 110
- (Schedule circulated)

Part II: Item 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.

- 14 **MINUTES OF EXETER AND HEART OF DEVON GROWTH BOARD - 8 JULY 2013**
- Members are requested to note the minutes of the Exeter and Heart of Devon Growth Board meeting held on 8 July 2013. 111 - 118
- (Minutes circulated to members)

DATE OF NEXT MEETING

The next scheduled meeting of the Executive will be held on **Tuesday 1 October 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, Owen, Pearson 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 – COMMUNITY 3 SEPTEMBER 2013

EXECUTIVE
17 SEPTEMBER 2013

ASSET MANAGEMENT REVIEW - HOUSING GARAGE SITES

1.0 PURPOSE OF THE REPORT

- 1.1 To report the outcome of an asset management review of the City Council's garage sites and consider recommendations for estate rationalisation.

2.0 BACKGROUND

- 2.1 The Council owns 930 garages over 65 sites. Since 2009, around 60 garages a year have been vacant. This represents 6.5% of the total stock and around £26,500 in lost rental income each year. Over the last four years, this equates to lost income in the region of £106,000. Despite several initiatives to reduce the number of empty garages, the numbers are increasing each year. The garages have the potential to generate an income in the region of £470,000 per annum, depending on the type of tenant and the location of the garage.
- 2.2 The current rent charge per week (over 48 weeks) is set out in the table below. The Council is required to charge VAT when renting garages to people who are not existing tenants of ECC homes.

	Inner City Garage	Outer City Garage
Tenant*	£13.57	£10.19
Non-Tenant**	£16.28	£12.22

	Inner City Car Parking Space	Outer City Car Parking Space
Tenant*	£8.92	£5.10
Non-Tenant**	£10.70	£6.12

*Excludes VAT **Includes VAT

- 2.3 The review of garages has also been prompted by the following issues:

- In the current financial climate, individuals and families are scaling back on their monthly expenditure and garages could be considered an unnecessary luxury. The number of vacant garages is predicted to increase as more people surrender their tenancies for financial reasons and this represents a business risk for the council.
- There is limited budget provision set aside for garage maintenance and in general only basic emergency repairs are undertaken.
- With changes in car design, some of our garages are not wide enough for a modern car and are therefore not fit for purpose. Only about half of our garages are used for car parking, with the rest being used for storage or running small businesses.
- There is a pressing need for new affordable homes within the City and under-utilised garage sites could be used to provide further homes.

- 60% of our tenants and leaseholders have identified a lack of car parking as the biggest issue where they live and under-utilised garage sites could be used to provide hard-standings for cars.

2.4 The objective of this review was to assess how the ECC garage estate could be used to:

- Maximise rental income and reducing the number of empty garages
- Reduce on-road parking by creating additional off-road space
- Make effective use of housing land
- Allocate funding against priorities
- Improve satisfaction levels of existing garage tenants
- Improve security and stock condition.

2.5 Spot checks were undertaken at selected garage sites to assess the general condition and presence of asbestos and around 350 residents currently renting a garage from Exeter City Council returned a survey which showed:

- 38% thought their garage was in good condition; 49% fair and 14% in poor condition.
- 83% said their garages kept most of the weather out
- 23% had problems with plants growing into their garages
- 52% used their garages for car parking
- 27% reported fly-tipping; 16% reported ASB relating to drug and alcohol use and 9% reported graffiti as problems on our garage sites.

2.6 Given the number of vacant garages a small number of garages are used by local charities and community organisations that benefit the local community on a rent free basis.

3.0 ASSET MANAGEMENT RECOMMENDATIONS

3.1 The review has prompted the following recommendations for the garage estate:

Re-development

16 sites have development potential for new homes. Of these sites:

- Newport Road (23 garages), planning permission has already been granted for 6 three-bed homes.
- **6** sites (187 garages) are being considered by architects for development in the near future. These are: Goldsmith Street (lower site) (29), Anthony Road (13), Bovemoor Lane (29), Taunton Close (21), Wynford Road (41) and Thornpark Rise (54).
- **9** sites (253 garages) should be considered for future development. These are Lower Wear Road (44), Higher Barley Mount (44), Lancelot Road (66), Mincinglake Road (16), Littleway (18), Merrivale Road (54), Durham Close (8), Redlands Close (3) and Whipton Barton Road (44).

If all 16 sites were to be developed for new homes this would ultimately reduce the number of garages within the Council's stock by 463 or 50%, resulting in a loss of annual garage rental of between £226,462 and £361,806, depending who the garage was rented by and where it was located. However, the Council would be providing additional social housing and, whilst it is not possible to project the income of this proposal until each site is assessed for its suitability, type of properties and numbers, it would significantly increase the rental income.

The sites would be developed over a period of time to mitigate the impact of the reduction in the number of garages and officers would work with the tenants of each area at the appropriate time to find alternative parking arrangements.

Disposal

13 small sites have potential for disposal. Of these,

- **9** sites (44 garages) are recommended for disposal. These are: Clifton Street (14), Wayside Crescent (4), Hill Rise (3), Legion Way (2), Briar Crescent (3), Laburnum Road (4), Haldon Close (4), Powderham Close (6) and Belvedere Close (4). The garages have been valued at between £5,000 and £10,000 per unit, dependent upon the current market conditions and whether the garages are sold individually or as blocks. It is estimated that they will generate a capital receipt of between £220,000 and £440,000.
- The annual rental loss on these blocks will be between £21,521 and £34,383 depending on location and whether the garage is let to tenant or non tenant and the assumption that they would all be tenanted.
- The disposal of the blocks would be carried out over a period of time allowing us to either sell the blocks with sitting tenants (if appropriate) or giving us time to work with the tenants of used garages to find alternative garages within our stock and assist them re-locate.
- The remaining **4** sites (8 garages) at Lower Summerlands (3), Woodwater Lane (2), Chestnut Avenue (1) and Bramley Avenue (2) are not recommended for disposal because they are either directly opposite council owned homes or there are other future redevelopment opportunities for these sites.

Investment

6 sites (134 garages) are assessed as being in high demand in popular areas but requiring some work to ensure the garages remain fit for purpose and bringing them up to standard. The total cost of investment across all the sites is £73,308 and it will take around a year to recoup the cost from rental income. These sites are: Redhills Close (19), Goldsmith Street (upper site) (42), Galahad Close (38), Percival Road (19), Greenway (5), and Bonville Close (11).

Demolition

6 sites (97 garages) are assessed as having the potential to provide car parking instead of garages. This would require demolition and laying hard standings at an estimated cost of £150,000. Car parking spaces provide a rental income per week and, because hard standing would provide more spaces than garages on each site, we estimate that it will have a neutral effect on rental income. We would work with the tenants at these sites to ensure they were given priority to rent the parking spaces once demolition had taken place or relocate to another garage site. These sites are: Watergate (4), Wear Barton Road (12), Heavitree Bridge (19), Elaine Close (24), Prospect Place (28), and Hill Barton Close (10).

Storage

3 sites (21 garages) were identified where the garages are not wide enough for modern cars. The tenancy agreement should therefore be amended to prioritise storage instead of car parking. There is no cost for this and tenants would be expected to ensure they had adequate insurance for the contents. These sites are: Fullers Court (7), Serge Court (7) and Teazle Court (7). The policy of offering hard-to-let vacant garages to local charities for free

storage will continue but, given the proposed reductions in the overall garage stock, the number of hard-to-let vacant garages is likely to reduce.

New-build Garages

1 site at Wear Barton Road (12) was identified where further garages could be built on poorly utilised land. The cost of this would be £28,000 for three garages. Based on the income created by the three additional garages it would take between 16 and 19 years to recoup the costs of the additional garages with rental income.

No Change

18 sites will stay as they are. These are where a higher amount of demand has been identified and where there is no re-development potential. In most cases, these are garages situated beneath flats.

- 3.2 If all the above recommendations are accepted, the council's garage estate would reduce to 276 garages on 34 sites.

4.0 NEXT STEPS

- 4.1 If Committee Members are content to pursue the recommendations of this review in principle, all Members with garages in their wards will be consulted on the detailed proposals. The results of this consultation will be considered by the Portfolio Holder for Maintain our Assets, in consultation with the Chairman and Vice-Chairman of Scrutiny – Community Committee, and reported to Executive Committee with detailed recommendations in November.

- 4.2 The proposals will also be considered by the Tenants and Leaseholders' Committee on 21 September.

5.0 RECOMMEND that Scrutiny – Community support and Executive agrees:

- i. To approve the recommendations set out in Section 3 above in principle for consultation with the Ward Members and the Tenants and Leaseholders' Committee and for detailed consideration by the Executive Committee in November

SARAH WARD
ASSISTANT DIRECTOR HOUSING & CONTRACTS

Local Government (Access to Information) Act 1972 (as amended)

Background papers used in compiling this report:-

None

EXETER CITY COUNCIL

SCRUTINY COMMITTEE – COMMUNITY 3 SEPTEMBER 2013

EXECUTIVE 17 SEPTEMBER 2013

HOME ENERGY CONSERVATION REPORT & ENERGY COMPANY OBLIGATION FUNDING

1. PURPOSE OF REPORT

- 1.1 To update Members on the Council's duties relating to home energy conservation and work being conducted on procuring an Energy Company Obligation (ECO) provider.

2. BACKGROUND

- 2.1 The Government's Carbon Plan sets out the strategy for meeting the UK carbon targets and includes the following:
- To reduce greenhouse gas CO₂ emissions by 29% by 2017, 35% by 2022, and 50% by 2027
 - To insulate all cavities and lofts, where practical, by 2020
 - To insulate between 1 and 3.7million solid walled properties and the installation of between 1.9 - 7.2million other energy efficiency measures by 2030
 - Carbon emissions from UK buildings to be "close to zero" by 2050
- 2.2 In order to monitor progress against these targets the Government required all local authorities in England to produce an Home Energy Conservation report by 1st March 2013, setting out the energy conservation measures that each authority considers practicable, cost-effective and likely to result in significant improvement in the energy efficiency of residential accommodation in its area. In so doing the Council had regard to:
- Measures that take advantage of the financial assistance offered from Government initiatives, such as the Green Deal and Energy Company Obligation
 - Measures which an authority has developed to implement energy efficiency improvements

3. HECA REPORT

- 3.1 Effectively the first report, which was submitted to the Department of Climate Change (DECC) by 1st March 2013, is a position statement identifying the potential for improvement in each local authority and it is to be followed by progress reports at 2 yearly intervals up to and including 31 March 2027.

3.2 In order to establish a robust baseline, and identify potential for energy efficiency measures to residential accommodation DECC published data for each local authority on:

- Energy consumption (gas, electricity, other fuels, road transport)
- CO2 emissions
- Cavity wall and loft insulation installed under the Carbon Emissions Reduction Target
- Numbers of solar PV installations

That data, together with local data from sources such as the Council's Private Sector House Condition Surveys, returns for locally run energy efficiency schemes such as Cosy Devon and PLEA, in conjunction with the Energy Performance Certificate data held for 18 000 private properties in the City, enabled the first report to be written, (see Appendix 1).

4. LEVERING IN ENERGY COMPANY OBLIGATION FUNDING

4.1 The targets contained in the Home Energy Conservation Report can only be achieved with engagement with the Green Deal and Energy Company Obligation (ECO).

Government launched its joint Green Deal/ECO initiative in January 2013 as the single "policy package" for energy efficiency that will complete the cost effective "easy wins" in the buildings sector by 2020. The Government has acknowledged that local authority involvement is key to the success of these initiatives.

The Green Deal - is an innovative finance mechanism enabling householders to pay for energy-efficiency improvements to their homes through savings made on their energy bills. The loans, administered through the Green Deal Finance Company, are available over a period of up to 25 years, with the maximum value of the loan being determined by the savings expected to be made on the energy bill as a result of the energy efficiency measures installed. For example, if insulation measures were estimated to save a householder £50 per annum on their bill the maximum loan repayment, with interest, would be calculated on an annual repayment of £50 for however long it takes to pay for the measure to be installed. The loan is repaid through the electricity meter, with the debt being passed on to the next owner if the property is sold during the period of the loan.

ECO - is an obligation placed upon the seven largest energy companies requiring them to fund energy efficiency measures and is funded through a subsidy charged on all energy bills. The level of this subsidy is currently in the region of £55 per annum on every dual fuel customer, representing approximately 4% of the average bill. The Obligation is split into three separate Obligations, each targeted at different sectors of the population:

1. Carbon Emission Reduction Obligation, worth at least £760 million per annum, to provide 'top ups' to Green Deal loans
2. Carbon Saving Communities Obligation, worth at least £190 million per annum (15% of which has to be spend in rural communities)
3. Home Heat Cost Reduction Obligation, worth at least £350 million per annum

The Carbon Emissions Reduction Obligation, which accounts for around 70% of the overall Obligation, must be used to top up Green Deal loans where the maximum available loan would be insufficient to fund the full cost of the energy efficiency measures being installed. This would normally be the case in respect of solid wall insulation where it is estimated that a Green Deal loan would only be available to cover between 40% and 60% of the cost of work.

The Carbon Saving Communities Obligation is to fully fund some energy efficiency measures (only partially funding the more expensive measures) to houses in 'Carbon Saving Communities' which are the Lower Super Output Areas (LSOA) throughout England which are in the top 15% deprived areas in the Country. Exeter has 6 LSOAs in this category.

The Home Cost Reduction Obligation is to provide free insulation and replacement boilers to any household on qualifying benefits.

- 4.2 In November 2012 The Devon Chief Executive's group commissioned the Energy Savings Trust to undertake an "options review" to determine the most appropriate response to Green Deal/ECO for the county of Devon through a countywide partnership of Local Authorities. This process started with an assumption that Local authorities would engage with Green Deal/ECO in one of three roles identified by Government – Provider, Partner or Advocate. However, as the partnership's learning advanced, it was clear that there was a spectrum of potential engagement possibilities. These were distilled into the following options for detailed consideration:
1. Local authority as promoter – leaving delivery of the Green Deal to the market
 2. Local authority as producer - provides marketing support, work in partnership with commercial Green Deal Provider(s)
 3. Local authority procures a GD delivery partner - coordinates finance and delivery with a private sector partner to residents and businesses
 4. Local authority as a provider - takes on the role of Green Deal Provider (effectively taking on the role of the Green Deal Finance Company) and works with local organisations, business and community to deliver Green Deal
 5. Local authority selects a partner for ECO delivery - provides marketing support and coordinates delivery in partnership with an energy company
- 4.3 At the end of March 2013, the review concluded that the Green Deal had not taken off as the Government had hoped, principally for the following reasons:
- the interest rate charged on the loan being paid back on the meter has been set at around 9% , above high street interest rates
 - homeowner's concerns that a debt attached to the meter would make their properties unattractive to potential purchasers

- savings on energy bills are only 'guaranteed' for the first year – effectively bills will continue to rise in line with energy prices
- private sector landlords are unwilling to engage as they become responsible for the debt during void periods, compounded by the fact that subsequent tenants will be liable to take on the debt through their bills
- energy companies have been slow to develop their ECO offers

It was clear that the Green Deal, and as a consequence the Carbon Reduction Emissions Obligation, are beyond the influence of local authorities and that effort should be put into procuring an ECO delivery partner to maximise the spend on the other 2 stands of ECO in the Devon and Torbay areas (by that time Plymouth had made alternative arrangements).

By early July 2013 a procurement specification had been developed and agreed by the remaining 10 Local authority partners. The key features of this specification are as follows:

- **Procurement Route** – unlike the majority of other local authorities which have undergone ECO procurement for similar schemes the Devon authorities have avoided the need to undergo a full tendering exercise using the Official Journal of the European Union rules (OJEU). Devon are entering a competitive process resulting in a Service level agreement / Memorandum of Understanding with legal conditions around data, logo/branding, KPIs, quality and customer service. This procurement has been deemed to be a nil value "contract". No funding will be provided to the successful applicant. This procurement route has not only, potentially, saved £100,000's but is also quicker and more attractive to potential partners. Crucially, the tender specification can also build upon the 'localism agenda' requiring such things as local job creation, training, capacity building and development of local supply chains, which could have not have been possible by going through an OJEU tender.
- **Exclusivity** – one provider is being sought
- **Provider Type** – selected from the Big 7 power companies, who have the ECO, and main contractors with access to ECO funding. The value of the "contract" is expected to exceed £18m annually as this is the pro rata share of the expected national expenditure by obligated power companies for Devon and Torbay
- **Service Required** – ECO measures plus an option for provision of Green Deal
- **Management Model** – fully managed by the provider
- **Scope** – Private Sector Housing plus. There is an opportunity to include housing association and public sector housing stock but many of these organisations are already negotiating their own deals

An Invitation to Tender for procuring an Energy Company Obligation Delivery Partner for Devon and Torbay was advertised on the Devon Procurement Portal on the 12th August 2013. The procurement process is being undertaken by Devon County Council on behalf of the partnership. The aim is to have an ECO Delivery Partner in place by 21st October in order to re-launch a Cosy Devon Scheme (which funded

15,000 insulation measures through previous funding arrangements) shortly afterwards.

5. RESOURCE AND FINANCIAL IMPLICATIONS

(1) a basic energy efficiency scheme can be run at no cost to the Council, other than staff input, with all funding for energy efficiency measures being secured through the ECO or Green Deal provider.

6. RECOMMENDED

That Executive and Scrutiny Committee – Community:

- 1) Note the contents of the Home Energy Conservation Report
- 2) Agree to the procurement route contained in 4.2.5.

ASSISTANT DIRECTOR ENVIRONMENT

ENVIRONMENT DIRECTORATE

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

Background papers used in compiling this report:-

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EXETER CITY COUNCIL

HECA FURTHER REPORT

ACTION	DESCRIPTION	TIMING
i)	<p>LOCAL ENERGY EFFICIENCY AMBITIONS AND PRIORITIES</p> <p>Exeter City Council is a signatory to the Nottingham declaration and the Devon wide declaration on Climate Change. Local authorities in Devon are in the process of joining Climate Local.</p> <p>There are some 50,200 homes in the City of which 31,100 (62%) are owner occupied, 10,500 (21%) are privately rented and 8,570 (13%) are owned by housing associations and the Council. Private rented homes are the least energy efficient and housing association homes the most energy efficient.</p> <p>The City's domestic CO₂ emissions reduced by 8% from 234kt 2005 to 215kt in 2010. Per capita emissions in 2010 are 1.8 t CO₂/person; 28% lower than Devon (2.5) and 25% lower than nationally (2.4).</p> <p>In 2010 DECC statistics show that 13% of the City's homes are fuel poor with pockets as high as 22% in parts of the City. 25% of the City's homes have solid walls with the proportion of solid wall homes rising as high as 98% in some localities. ECO funded solid wall insulation therefore has a potentially important role in improving the thermal efficiency of the City's homes. There are 6 Carbon Saving Community Obligation (CSCO) areas in the City.</p> <p>95% of homes in Exeter have gas. The City has some 800 off gas homes in the Exwick area and a relatively high incidence of electrically heated flats in the city centre. The Renewable Heat Incentive may give the opportunity for these households to switch to lower cost renewable heating technologies with lower running costs. However, the success of the RHI will depend on the details of the scheme which are yet to be finalised by DECC.</p> <p>The council has extensive data on its own housing stock. Housing associations in the District have not been able to supply detail data on their housing stock in the time available. There is a mixed approach to the Green Deal and ECO among Housing Associations with a significant proportion being unwilling to let their tenants take out the Green Deal. The Council is also unwilling for the Green Deal to be taken out on its properties.</p> <p>Exeter adopted a climate change strategy in 2008 and an updated action plan in 2009 (see http://www.exeter.gov.uk/CHttpHandler.ashx?id=13566&p=0) which includes a range of actions in private and council housing [all of / many of] which have been successfully implemented.</p>	Ensure Housing associations can provide data for future reports

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	<p>Priorities for Exeter include:</p> <ol style="list-style-type: none"> 1. Maximising the benefit of ECO funding in and around the City's 6 CSCO areas 2. Outside CSCO areas, focussing on working with landlords in the private rental sector to improve standards in the poorest performing (F and G EPC rated) homes 3. Using monitoring and enforcement of Category 1 cold Hazards where necessary 4. Promoting the Ready for retrofit programme in social housing in the City to achieve improvements and develop the local supply chain 	<p>Priorities will be address in the period 2013 to 2015</p>
<p>ii) MEASURES WE ARE TAKING TO RESULT IN SIGNIFICANT ENERGY EFFICIENCY IMPROVEMENTS OF OUR RESIDENTIAL ACCOMMODATION</p>		
<p>Green Deal and ECO</p>	<p>Funding for measures on social housing in the District is available from the Ready for Retrofit programme, a three year EU funded project to improve social housing stock and stimulate demand in the south west of England (excluding Cornwall). The project will work with the Green Deal and ECO to stimulate demand by investing £2.3m of project funds to drive total investment of more than £6m in a minimum of 787 social housing energy efficiency measures. SMEs in the supply chain will receive an intensive business support programme focused on developing delivery capability at scale, value and quality.</p> <p>The energy efficiency of Council owned homes is above the national average and rather than encourage council house tenants to use the Green Deal the Council will continue to improve its stock using its own maintenance budget.</p> <p>It is anticipated that the lessons learned for these projects will inform how the District develops further plans for the Green Deal and ECO. More specifically the Council is seeking ECO funding to provide external insulation on Rennes House, a tower block occupied by 61 vulnerable households.</p>	<p>Participate in Ready for Retrofit in 2013/14/15</p>
<p>Feed in Tariffs (FIT) scheme</p>	<p>A programme of 288 PV installations has been undertaken on Council homes which are prominent on thoroughfares in the city. In total some 1.6% of homes (~800) have PV installed. The Council's web site signposts information on renewable energy. It is anticipated that Green Deal activity in the District will further stimulate the uptake of the Feed in Tariff with PV forming part of a package of whole house energy measures.</p>	<p>Develop further plans for 2015</p> <p>The Council will continue to signpost the FIT from its web site and include renewable energy in its Green Deal and ECO projects.</p>
<p>Renewable Heat Premium Payment (RHPP)</p>	<p>Off gas grid home have the greatest potential to benefit from the RHPP. However, all but 5% of homes in Exeter are on the gas grid which limits the current potential in the City. Unfortunately statistics are not available to enable the council to know how many RHPP installations there have been in the City or which technology type's householders have chosen. The publication of this data would greatly assist a local understanding of progress in renewable heat. The Council is seeking funding to install biomass heating on the Rennes House tower block.</p>	<p>Once the details of the RHI are finalised the Council will signpost from its web site.</p>
<p>Zero Carbon Homes</p>	<p>The City council has built [passive house case study etc.]</p> <p>Exeter's adopted Core Strategy mandates that homes build in 2014 and 2016 comply with Code for</p>	

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	<p>Sustainable Homes level 4 (44% CO₂ emissions reduction on 2006 Part L) and 5 (Zero Carbon) respectively. Other energy related policies require the use of renewable and low carbon energy to achieve a 10% additional reduction in CO₂ emissions and the connection to planned district heating networks in Monkerton, SW Exeter and other parts of the City.</p>	
<p>EPCs</p>	<p>Exeter has purchased EPC data for the City. The data contains records on some 18,000 properties (duplicates on 1400). Over 2,500 records contain obviously spurious data (e.g. SAP of 1, zero floor area, energy use of over 1000kW/m²). The data set is skewed toward the rental sector and smaller properties. Fewer poor performing properties appear in the EPC dataset when compared to the Home Condition Survey. The data also indicates that there may be more electrically heat homes than in the CSE dataset. The EPC's for the Council's housing stock shows that 88% are in band D and above and 68% in band C and above. In the private rented sector there are proportionately fewer properties with low (F and G) EPC ratings than indicated by the home condition survey.</p>	<p>Continue with current activity</p>
<p>Minimum standards in the private rental sector</p>	<p>21% of the City's housing, some 10,500 homes are privately rented. The Council's housing strategy policy on housing enforcement (see http://www.exeter.gov.uk/CHttpHandler.ashx?id=12078&p=0) sets out how it applies housing enforcement powers in the City.</p>	<p>Evaluate over 2013/14</p>
<p>Smart meters</p>	<p>The Council will await national policy on smart meters to be more fully developed before deciding if it is appropriate for any local authority intervention.</p>	
<p>iii) MEASURES WE PROPOSE TO COST EFFECTIVELY DELIVER ENERGY EFFICIENCY IMPROVEMENTS IN RESIDENTIAL ACCOMMODATION BY USING AREA BASED/STREET BY STREET ROLL OUT</p>	<p>The Government's Green Deal and ECO Impact Assessment suggest that over 70% of measures installed will be ECO funded. The Council therefore considers that ECO providers will be strongly motivated to identify ECO eligible households and that this may naturally lead to focussed deliver of energy efficiency in particular localities.</p> <p>The Ready for Retrofit project will support the installation of measures in social housing in to June 2015.</p> <p>The District aims to establish a pilot ECO partnership with other local authorities and a Green Deal Provider(s) perhaps using the well-established Cozy Devon brand. The Council's emphasis will be to ensure that solutions are directed to the most deprived and vulnerable households.</p>	
<p>iv) TIME FRAME FOR DELIVERY AND NATIONAL AND LOCAL PARTNERS</p>	<p>Partners in the Ready for Retrofit project include the Energy Saving Trust and Regen SW.</p> <p>The City will continue to engage a wide range of partners nationally in government, the business and third sector and community organisations as needed to develop its programmes. The aim is to develop a pilot ECO partnership with other local authorities and a Green Deal Provider(s) during 2013/14.</p>	

EXETER CITY COUNCIL



Signature:

Position: Assistant Director Environment

EXETER CITY COUNCIL

SCRUTINY COMMITTEE – COMMUNITY 3 SEPTEMBER 2013

EXECUTIVE 17 SEPTEMBER 2013

LOCAL AIR QUALITY MANAGEMENT AIR QUALITY ACTION PLAN 2011-2016 AND 2013 AIR QUALITY PROGRESS REPORT

1. PURPOSE OF REPORT

- 1.1 To update Members on the council's duties relating to local air quality management and work being conducted on a Low Emissions Strategy.

2. BACKGROUND

- 2.1 The Environment Act 1995 – Part IV requires Local Authorities to periodically undertake a review and assessment of air quality in their area.
- 2.2 This process involves assessing current levels of pollution and comparing those levels with the relevant standards.
- 2.3 The pollution standards and objectives for the review and assessment process are now formalised in the Air Quality Regulations 2000 and (Amendment) Regulations 2002. The air quality objectives are derived from air quality standards based upon the best available medical and scientific understanding of the effect of individual pollutants on health. The standards are concentrations below which significant risk to public health are unlikely to occur
- 2.4 Exeter City Council declared an Air Quality Management Area (AQMA) in 2007 (amended 2011) because levels of nitrogen dioxide (NO₂) exceeded government objective levels at various locations. The area covers all of the main traffic routes in the city. This boundary was determined using the NO₂ concentration data, which are highest beside busy roads. Further studies showed that the high NO₂ concentrations are caused by traffic emissions along congested routes.
- 2.5 The 2013 Air Quality Progress Report can be viewed following the link below:
<http://www.exeter.gov.uk/index.aspx?articleid=4292&listid=4261>

3. AIR QUALITY ACTION PLANS

- 3.1 Local Authorities are obliged, where an Air Quality Management Area has been declared, to produce an Air Quality Action Plan (AQAP). This should identify and explain measures that will work towards resolving the exceedence of the air quality objective(s). Exeter's first Air Quality Action Plan covered the period 2008-2011 and drew heavily from the Devon County Council Second Local Transport Plan (2006-2011) in order to reduce traffic emissions.
- 3.2 With the replacement of the Second Local Transport Plan in 2012, the Air Quality Action Plan also required updating. The measures within the new plan had to be proportionate to the funding and resources available and acknowledge the significant upward pressures on NO₂ emissions which will result from proposed development in

the greater Exeter area. In recognition of this, the second Air Quality Action Plan sets four key objectives:-

- To describe the impact of predicted growth and existing plans on NO₂ concentrations within the Air Quality Management Area.
- To identify where further improvements are required, how these could be achieved and where multiple benefits can be realised.
- To provide a process for assessing the air quality aspect of the sustainability of future plans and policies.
- To provide tools to engage local communities in air quality issues alongside wider sustainability issues.

3.4 The second Plan identifies that current plans and policies will have a low positive impact on air quality, although it is accepted that there is some uncertainty associated with this. This is a modest predicted change, but should be set against the background of significant development in the city and therefore significant upward pressure on emissions.

3.5 The second Air Quality Action Plan also proposes three areas of further work. These are the development of a Low Emissions Strategy and feasibility study for a Low Emissions Zone, the development of closer links between air quality and climate change work, and the need to increase understanding of the health impacts of poor air quality. Programs of work in these areas will connect air quality to two key national and local policy imperatives; the low carbon agenda and the creation of local Health and Wellbeing Boards.

3.6 There will be an annual Air Quality Action Plan Progress Report published to advise progress in meeting the second Air Quality Action Plan. Subsequent annual reports will summarise data on the air quality change over the previous year, as well as a series of other key indicators such as the use of sustainable travel modes, car use, completion of developments etc.

4. 2013 AIR QUALITY PROGRESS REPORT

4.1 The 2013 Air Quality Progress Report is a review of 2012 monitoring data which shows that there are no exceedences of the objective levels outside the Air Quality Management Area. In fact there is some evidence for a reduction in NO₂ concentrations, however it is not clear whether this is the start of a long-term trend or simply inter-annual variability as a result of changes in weather etc. As a result, it was decided to maintain the current Air Quality Management Area boundary, although the situation will be kept under review.

4.2 The report identified an increase in SO₂ concentrations in the past year, although the concentrations are well below the objective levels, and do not raise cause for concern. This situation will be kept under review in future years.

4.3 The Progress Report also summarises information on potential new sources of local air pollution. Fortunately, no developments were granted planning permission which required mitigation for adverse air quality impacts during 2012.

5. LOW EMISSIONS STRATEGY (LES)

5.1 The Council was successful in obtaining a DEFRA grant for establishing a Low Emission Strategy to identify and implement measures that will reduce transport emissions of nitrous oxides (NO_x) and contribute towards meeting the EU limit values for NO₂, whilst also reducing emissions of particulates, noise and carbon dioxide

(CO₂). The project will be completed within 18 months from commencement and has the following strategic aims:

- a) To integrate low emission strategies into mainstream policy development for transport and planning within Exeter and to influence policy in the greater Exeter area.
- b) To reduce emissions from the Council-owned fleet and grey fleet, including by increased uptake of low emission vehicles.
- c) To work with partners in the private and public sectors to increase the uptake of sustainable transport choices, including low emission vehicles within the greater Exeter area.

5.2 The Council will appoint a suitably experienced and capable consultant with the aim to commence the project in October 2013 with completion by March 2015. The main project aims are contained in Appendix I.

5.4 In order to develop a successful Low Emissions Strategy it needs to involve, consult and work with a range of stakeholders, including locally based businesses and residents to engage them in contributing to sustainable transport decisions.

6. CONCLUSIONS

6.1 Air quality in Exeter is currently stable or possibly improving and the Air Quality Management Area boundaries remain appropriate at this stage. The second Air Quality Action Plan is in place and contains measures which will work towards improved air quality, in the context of delivering sustainable development. The Low Emissions Strategy will be important in achieving this, and in fostering effective partnerships with business, community and Devon County Council. The Action plan also aims to make connections between air quality, carbon and public health policy.

7. RESOURCE AND FINANCIAL IMPLICATIONS

7.1 The second Air Quality Action Plan and management of the Low Emissions Strategy project will be delivered within existing resources. Funding has been successfully bid for and obtained from DEFRA for the delivery of the Low Emissions Strategy.

8. RECOMMENDED

That Executive and Scrutiny Committee – Community:

- 1) note the progress on the Air Quality Action Plan; and
- 2) support the development of a Low Emissions Strategy to fulfil air quality objectives.

ASSISTANT DIRECTOR ENVIRONMENT

ENVIRONMENT DIRECTORATE

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

Background papers used in compiling this report:-

- 1) Exeter Air Quality Action Plan

- 2) 2013 Air Quality Action Plan Progress Report
- 3) 2013 Air Quality Progress Report
- 4) Air Quality Strategy for England – DEFRA
- 5) Air Quality Regulations 2000 and (Amendment) Regulations 2002
- 6) Local Air Quality Management – Technical Guidance – DEFRA
- 7) Local Air Quality Management – Policy Guidance – DEFRA

Appendix I

Objectives for Low Emissions Strategy

There are 3 main project objectives:

1. **To develop an evidence base** for emissions and their impacts for an agreed base year, and evaluate the effects of planned development and current transport policy (as defined in Exeter's Core Strategy and Devon County Council's Local Transport Plan documents).
2. **To engage with Devon County Council, local employers, communities and other partners** within Exeter City Council in order to:
 - a. Establish a steering group and separate stakeholder group.
 - b. Promote potential benefits to stakeholders and nurture partnership working to realise successful outcomes.
 - c. Identify implementation barriers and opportunities to strengthen public awareness of the impact of poor air quality on health and the benefits of sustainable transport options. This will include a review of case studies, developing a local best practice guide, creating partnerships and developing links with community and business groups in order to engage with local communities in making sustainable transport decisions.
 - d. Work with the steering and stakeholder groups to identify viable sustainable transport options, based on the emissions evidence, which could be promoted amongst specific vehicle groups.
 - e. Identify the potential options for a Low Emissions Zone, including the geographic extent, scope and regulatory options for implementation and enforcement. Select a range of Low Emissions Zone options with the steering group for further investigation.
 - f. Quantify the relative socio-economic impacts, barriers, costs and effectiveness (in terms of noise, carbon and local air pollution emissions) of the options identified in steps (d) and (e). Report on the findings of this assessment, cataloguing the decision-making process and supporting information.
 - g. Obtain commitment from employers to take measurable steps to reduce their transport emissions. A target will be set to gain commitments from a specified number of businesses in conjunction with the Devon County Council Sustainable Transport Team who have experience in this area.
3. **Work with partners**, to develop, consult upon and publish a Low Emissions Strategy for the city. This will include stretched but realistic targets for reductions in emissions, and programs of measures which will achieve these (possibly including an Low Emissions Zone, depending on the outcomes of the assessment above).

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EXETER CITY COUNCIL**SCRUTINY COMMITTEE – ECONOMY
5 SEPTEMBER 2013****EXECUTIVE
17 SEPTEMBER 2013****CITY CENTRE STRATEGY FOR EXETER 2013-2022****1. PURPOSE OF THE REPORT**

- 1.1 To update Members on the preparation of a new City Centre Strategy to cover the period 2013/22.
- 1.2 To seek support from Members for the City Centre Strategy document as drafted.
- 1.3 To seek approval of the draft strategy from Executive.

2. BACKGROUND

- 2.1 The case for a new City Centre Strategy received the backing of the City Centre Management Partnership Board (CCMPB) in 2012 and, following initial consideration of a draft Strategy framework in early 2013, there has been an extensive consultation and listening exercise with a wide range of City Centre stakeholders.
- 2.2 The extensive listening exercise undertaken in relation to the City Centre Strategy has:
 - provided an opportunity to strengthen engagement with the City Centre community – this will be developed through a broadening of the City Centre Management Partnership membership base.
 - taken a fresh look at a range of policy areas – building new partnerships to move forward a range of practical projects designed to enhance the City Centre offer (an example of this is the recent multi agency/business workshop on the night-time economy).
 - provided an opportunity to reflect on key City Centre strengths and how to build on these.
- 2.3 A wide range of views have been expressed during the Strategy consultation exercise, but key themes that have emerged can be summarised as follows:
 - the importance of strengthening the focus on the evening and night-time economy – ensuring it's lively, that it offers attractions for all and that the City Centre feels like a safe place.
 - celebrating and further strengthening the cultural vibrancy of the city and City Centre and delivering a City Centre reputation for exciting and unique events throughout the year and during day and night.
 - delivering ease of access into the City Centre.
 - ensuring the city's car parks and transport infrastructure support the City Centre's vibrancy & economic wellbeing and encourage both visitor numbers and customer dwell time.
 - the importance of street maintenance and cleanliness.

- celebrating and promoting the diversity of the Exeter retail offer as effectively as possible.
- the importance of a City Centre accessible to all.
- realising the full potential of the Cathedral as a major tourist attraction, with the development of a new Cathedral visitor strategy taken forward alongside the City Centre Strategy.
- ensuring that the city's position at the heart of one of the best food producing regions in the country is recognised within the City Centre offer.
- using the uniqueness of the City Centre's layout as a key marketing tool to benefit the city.

2.4 The Strategy has been drafted within the difficult parameters of:

- the most significant squeeze on the public finances in decades;
- a decade of major economic progress for the City Centre – which, in spite of the major contribution to the economic welfare of the city, now provides the challenge of complacency with a widespread view that continued economic progress is a given;
- limited availability of City Council capital expenditure;
- the need for a re-gearing in the relationship between business and public authorities on the funding of 'city centre management' initiatives. A Business Improvement District will be an essential pre-requisite for moving forward many of the project strands envisaged in the draft City Centre Strategy.

2.5 Once finally agreed, the Strategy will be overseen by a reconstituted City Centre Management Partnership comprising active representation from the business community covering the relevant sectors and areas of the City Centre, as well as from Princesshay and Guildhall centres, the City Council, Police and County Council. Once agreed each body will need to account for progress on those aspects of the Strategy for which they are responsible.

3 STRATEGY CONTENT

3.1 The City Centre Strategy has been drawn together with the following structure:

3.1.1 A brief contextual analysis of the City Centre as it currently stands, a summary of progress during the last five year period, an assessment of the city centre's current competitive position (including a City Centre SWOT analysis), a brief summary of the proposed delivery framework and an Action Plan.

3.1.2 The purpose of the Strategy is to:

- provide a clear timetable for the Strategy (to cover the ten year period – up to 2022, although the primary focus is initially on the first 5 years);
- present a positive case for City Centre inward investment (and re-investment by existing businesses);
- set out clear aims and project objectives for the CCMP and its partners, including the delivery of a City Centre Business Improvement District which is a critical element of providing the necessary resources for achieving desired progress during the coming 5 year period;
- clearly set out partners and lead agency responsibilities for the implementation and delivery of the Strategy Action Plan.

- 3.1.3 Action Plan targets are summarised under the following key aims:
- A sustainable, resilient and competitive City Centre.
 - A vibrant City Centre that offers attractions for all.
 - A welcoming and safe evening and night-time environment.
 - A better first impression.
 - A clean, well maintained and safe environment.

3.1.4 A series of projects have been identified that will help deliver progress against the above. Action Plan projects, and indeed the Strategy as a whole will have to strike a balance between aspirations that are challenging yet realistic and priorities which are essential and the means has to be found to deliver them.

3.1.5 The Strategy Action Plan does not seek to provide an exhaustive list of projects, rather the objective is to highlight key areas for action and to provide a framework for further detailed dialogue and debate.

4. **OWNERSHIP & DELIVERY**

4.1 For the City Centre Strategy to be successful it must have widespread ownership – and this will need to include a clear commitment to the aims and project delivery from not only City Council units, but also from partners to include Devon County Council, the Police, the business community and Chamber of Commerce.

4.2. Draft projects carry a clear indication of lead agency/organisation/business, lead individual, timescale and, where identified, likely funding streams. A number of projects will develop over the lifespan of the Strategy and in a significant number of cases the Strategy is about ‘putting a marker’ down on the need to make progress against a number of policy areas.

4.3. The intention is to publish the City Centre Strategy in a more attractive format than its current draft text-based presentation during Autumn 2013 and with an appropriate level of publicity.

5. **RECOMMENDED that**

5.1 Scrutiny Committee – Economy Members comment on the final draft of the City Centre Strategy.

5.2 Executive approve the draft City Centre Strategy.

JOHN HARVEY
CITY CENTRE MANAGER

RICHARD BALL
ASSISTANT DIRECTOR ECONOMY

Local Government (Access to Information) Act 1972 (as amended)

Background papers used in compiling this report:-

None

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**A City Centre Strategy for Exeter
2013-2022**

**Building on a Decade of Change –
Delivering a Competitive and
Attractive City Centre**

Final Draft August 2013

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EXECUTIVE SUMMARY

Exeter City Centre – at the heart of a large catchment area – is a successful regional shopping and visitor destination. A wide range of retailers – independents and major names, good accessibility, a rich historical heritage, good cultural mix and excellent environment all make for a great City Centre. Key to the continued success of the City Centre will be to encourage more visitors and maximise their 'dwell time', and ensure that the experience that all City Centre users get is varied and first-class.

This Strategy builds on the 2007-2012 City Centre Strategy, which spanned the period of the most significant change for the City Centre in over 30 years, with major development and inward investment.

This Strategy commences with an assessment of the current City Centre position, undertakes an assessment of the context provided for the Strategy by the successes of the last decade and the Vision for a Green City Centre and then sets out the key City Centre aims for the next 5-10 years. Key City Centre aims are identified as:

- Aim 1 – A sustainable, resilient and competitive City Centre;
- Aim 2 – A vibrant centre which offers attractions for all;
- Aim 3 – A welcoming and safe evening and night-time environment;
- Aim 4 – A better first impression;
- Aim 5 – A clean, well maintained and safe environment.

Aims 1-5 provide a framework within which project aspirations are set out in the Strategy Action Plan. The Action Plan does not seek to provide an exhaustive list of projects, rather the objective is to highlight key areas for action and to provide a framework for detailed dialogue and debate on how the City Centre ensures it continues to work as both a major regional retail hub and as a visitor and leisure destination. The Action Plan is split in to three headings:

- Projects only deliverable through a City Centre BID;
- Key projects for City Centre strengthening and growth;
- Essential day to day operations.

BACKGROUND

With a retail catchment of over a million people, Exeter is a key, and rapidly expanding, regional centre. The economic, social and cultural role played by the city cannot be underestimated and the rapid expansion of the City Centre – and the city as a whole – over the last decade has the potential to continue during the next decade and beyond. The economic track record of the City is impressive:

- Exeter is an employment hub. In terms of job density where the number of jobs in an area is divided by the number of working age residents, Exeter outperforms most UK locations for job density and is positioned 10th overall in the UK;
- Between 2008 and 2012, Exeter was in the top 10 nationally for job creation; all achieved whilst 76% of all locations throughout the UK saw actual job losses;
- Employment growth in Exeter during 2008-2010 stood at 4.3%, compared to -6.4% in Plymouth, -0.7% in Bristol and -0.9% in the South West as a whole;
- During 2012, the Royal Albert Memorial Museum was named Museum of the Year (The Art Fund), the University of Exeter was named University of the Year (The Sunday Times) and Exeter College was named College of the Year (Times Educational supplement).

Taken alongside the unique combination of natural and historical resources, close proximity to beautiful countryside and strategic transportation links, the strength of the Exeter economy provides a sound base for a further decade of city centre change, renewal and investment. It is critical to recognise, however, that whilst the strength of the City Centre economy – and indeed the city economy as a whole – is a South West success story, the challenge of tackling national misconceptions about Exeter is a very real one.

The position of Exeter in the UK retail hierarchy is already significant (currently ranked at 38 within the top 50 UK centres). Since 2007 Exeter has made sound progress in securing a strong position within the national retail rankings and against a backdrop of recent changes to the methodology for calculating the retail rankings Exeter is well positioned to move on to underline its regional strength and cement its position within the premier league of UK cities.

CACI uses a number of measures to rank UK centres:

- *Physical distance to (or time taken to reach) the centre;*
- *The 'Attractiveness' of the centre's facilities' – scored by looking at turnover from multiples and department stores, counting independent comparison goods retailers and the count of 'footfall generators' (such as banks and restaurants) in each centre;*
- *Level of competition;*
- *Population, 'Demand' and Spend.*

The CACI retail rankings are increasingly important, with a growing trend towards major retailers focusing their investments in a reducing number of large centres. It's essential that Exeter is in a strong position to continue to attract such investment and securing the highest possible retail ranking will underpin work to secure further retail investment.

There is a real opportunity for Exeter to significantly improve its retail ranking. A top 35 position within the retail hierarchy is the target for Exeter during the next decade, post completion of the mixed use redevelopment of the Exeter Bus and Coach Station – with the focus being to drive the city clearly into the top 30.

Although the City Centre has made significant progress in delivering major improvements to its retail offer over the last decade, progress on the leisure and cultural offer has been less dynamic. Redevelopment of the Bus Station site offers an opportunity to start to redress this imbalance, but next steps of change through West Quarter development will be critical in maintaining the process of achieving the broadest possible City Centre offer. Proposed development of the Bus Station site provides a real opportunity to further improve the attraction of people not just to visit the content of the new development but to make the City Centre even more of a destination for a wider cross section of the population at different times. The benefits are intended to be widespread from an increase in footfall and longer time spent staying and enjoying what the City Centre as a whole has to offer.

The City Centre acts as a shop window for the city – showcasing the economic success of the city as a whole and the strength of the local community that underpins it. The first and ongoing impressions and experiences that City Centre visitors get provide key messages on whether the city welcomes its visitors and is a good place to stay, on whether it is safe, on whether it is full of activities and fun, on whether it is unique and different (as opposed to identikit and uninteresting) and on whether it is a good place in which to do business and invest.

The growth in the number of City Centre residents has been a key feature of City Centre development during the last decade. It is vital that the City Centre is seen as ever more welcoming, lively, safe and clean and that, through building links with local organisations, charities, schools and community groups, it also links and strengthens community engagement in the City Centre.

This strategy sets out a vision for a further decade of City Centre progress and, together with the associated action plan, sets out a series of priorities that will be of benefit to Exeter City Centre and all its users. The strategy sits within the context of 'A City Centre Vision For A Green Capital' published in April 2011. The City Centre Vision set out:

- a number of development framework principles, designed to emphasise and build on those principles that are, or could be, memorable and great about Exeter;
- “Four Big Moves” or development projects that represent one way of delivering change, within the context of the agreed development framework principles, and driving City Centre development and growth forward.

This Strategy, owned by the City Centre Partnership, is the output from a period of extensive consultation with the public, businesses and key stakeholders. The consultation has been encouraging, in that there has been broad support for the direction that is proposed for the City Centre. Key issues that have been highlighted however are:

- The importance of strengthening the focus on the evening and night-time economy – ensuring that it offers attractions for all and that the City Centre feels like a safe place.
- Ensuring that the City Centre has an exciting and diverse cultural brand, becoming a City Centre that has a reputation for exciting and unique events throughout the year and during day and night.
- Ensuring that delivering ease of access into the City Centre is a key focus for all partners responsible for driving the City Centre forward.
- The importance of street maintenance and cleanliness.
- Ensuring the diversity of the Exeter retail offer is celebrated and promoted as effectively as possible.
- The importance of a City Centre accessible to all.
- Ensuring that the full potential of the Cathedral as a major tourist attraction is realised, with the development of a new Cathedral visitor strategy taken forward alongside the City Centre Strategy.

Importantly, the City Centre Vision recognises the importance of delivering growth and investment whilst at the same time ensuring the City Centre does not lose its fundamental character and appeal. Together with an associated action plan, this City Centre Strategy maps out timescales and specific projects that will move the City Centre towards delivery of key Vision principles and 'big moves'. The Strategy also sits alongside the Exeter Place Marketing Strategy, the 2012–2016 Exeter Visitor Strategy and the forthcoming Exeter Cultural Strategy 2013-18.

City Centre Strategy 2007-12

The previous Exeter City Centre Strategy covered the period 2007 – 2012 and set out a vision for a City Centre that:

- built on the things that made it distinctive and gave it competitive edge;
- delivered a positive first impression, particularly in the quality, sustainability and accessibility of its built environment;
- offered facilities and attractions that would enhance the cultural diversity, status and prosperity of the city;
- provided, as a matter of course, a safe environment for all City Centre users.

Even though the Strategy spanned the period of the most challenging economic downturn in living memory, the period has been one of significant progress for the City Centre:

- ***Development***
 - Princesshay development completed – and a successful launch period followed-up with continuing healthy trading;
- ***'Retail' Investment***
 - the opening of John Lewis;
 - the opening of a range of other key retailers including Hollister, Cath Kidston, Urban Outfitters and Jack & Jones;
- ***Travel/Access***
 - the refurbishment of King William Street Car Park – and its re-opening as John Lewis Car Park;
 - an increase in use of both Stagecoach bus and Park & Ride services and the First Great Western Tarka & Avocet lines (Exmouth – Exeter passenger numbers (Avocet Line) grew by 32.4% between 2006/07 and 2011/12 and Barnstaple – Exeter passenger numbers (Tarka Line) grew by 73.2% between 2006/07 and 2011/12;
- ***Improvements for Pedestrians***
 - the delivery of a bigger pedestrianised zone at the heart of the City Centre – creating a much more pedestrian-friendly shopper and visitor environment;
 - pedestrian improvements in Paris Street – delivering better connectivity between High Street and Sidwell Street & the Bus Station;
 - pedestrian improvements and delivering a significantly improved environment in Sidwell Street;
 - the delivery of a more pedestrian-friendly Cathedral Yard and Close;
 - the delivery of significant improvements in High Street – making the area a much more attractive shopping environment;
- ***Economic Performance***
 - retail vacancy rates remaining consistently better than the national position, with current rates running at approximately half the national average;
- ***Visitor Attractions/Improvements***
 - significant progress on the delivery of City Centre café culture – with an increase in the number of City Centre cafes and restaurants and a marked increase in the volume of outside seating in areas across the City Centre;

- the re-opening of the Royal Albert Memorial Museum (RAMM), after an extensive – and much praised - refurbishment (and the awarding of the Museum of the Year 2012 to RAMM);
- the opening of two new City Centre hotels, Southernhay House and The Magdalen Chapter, and the opening of a new Premier Inn at St David's Station;
- the opening of Exeter Visitor and Tickets within the Princesshay development and the opening of a new visitor centre for the city's Underground Passages.

Vision for a Green City Centre

A 'Green Vision' for Exeter City Centre was published by the City Council in 2011. The Vision was commissioned by Exeter City Council and prepared by LDA Design, with input from a range of key stakeholders. The vision sets out a broad framework for City Centre development, recognising the importance of continued change, renewal and development, whilst also protecting Exeter's fundamental character.

Green Vision aims are aspirational, but key to moving the City Centre forward. Of particular importance are the four 'big moves' set out within the Vision. As the momentum of City Centre change and renewal is maintained, it is vital that the Vision is kept in sight as change is delivered. The Vision provides the framework for this City Centre Strategy.

The four "Big Moves" – 'Space For Growth', 'Balancing The Effects Of Growth', 'A New Place On The River' and 'A Sense Of Arrival' – provide a framework for the Action Plan. The delivery of Action Plan objectives and projects will make a significant contribution to realisation of the Vision. Further detail on each of the "Big Moves" is set out below.

'Space for Growth'. The most obvious location to extend and develop the City Centre is outside the city walls as follows:

- The Development to the east of the city wall adjacent to Princesshay provides a significant opportunity for further City Centre investment and development (the East Quarter);
- The Bus and Coach Station is one of the key arrival points into the city and redevelopment of the East Quarter will need to incorporate a re-developed bus station offering a much improved arrival experience. Not only will the redevelopment of the 'Bus Station' site offer a state-of-the-art new transport interchange, the site offers the city the opportunity to deliver a significantly enhanced City Centre leisure offer and the best possible gateway in to the City Centre;
- There are a number of different potential forms new East Quarter development could take. Work on moving development forward has already commenced with enhancement of the Paris Street/Sidwell Street junction. There is potential for further improvement of public space at the Paris Street/Sidwell Street junction and for significant further enhancement of Sidwell Street;
- Beyond Cheeke Street there would be a transition in character between the new city quarter and 'St Sidwell's' – a mixed-use quarter with a reduced scale, local and specialist shopping facilities, food and drink outlets and student accommodation.

'Balancing the Effects of Growth'. Parts of the existing City Centre are not working as well as they could.

- In particular, blocks to the west of South and North Streets and the Harlequins Shopping Centre off Paul Street are prime city centre locations that have the potential for significant improvement;
- Whilst commercially successful, the Guildhall Shopping Centre is a very large 'inward looking' development which has blank facades facing out on to two strategically important streets (North Street and Paul Street) and blocks attractive views towards the City Centre;
- Investment in the Guildhall area is a critical second "Big Move". Guildhall development is critical in balancing changes proposed in the East Quarter.

'A New Place on the River' & 'A Sense of Arrival'. The third and fourth 'Big Moves' relate to the interface between the City Centre and the River/Exe Bridges ('A New Place on the River') and delivering the best possible arrival points for the City Centre ('A Sense of Arrival'). The importance of delivering the best possible first impressions for the City Centre is identified as a key strategic aim.

'A New Place on the River'. This is the most aspirational of the "Big Moves". There is a recognition that the City Centre largely turns its back on the riverside, with major roads separating the City Centre from the historic Quayside. 'A new place on the river' would provide an additional destination at the junction of the spine that runs through the City Centre and the River Exe.

'A Sense of Arrival'. A number of key gateways in to the City Centre currently fall short of providing the best possible first impressions of the City Centre.

- At present Western Way creates a physical barrier between the City Centre and neighbourhoods in the south-east. Equally, the arrival experience from central rail and bus stations is poor, with surface car parking and a narrow alleyway providing the initial route to the City Centre from St David's Station and a poor environment to the front of Central Station. The bus station is unattractive and surrounded by post-war development in need of redevelopment.
- Opportunities exist for the creation of new public space and development to the front of St David's Station. At Central Station there are plans for the creation of a new pedestrian-friendly forecourt. Delivery of an excellent Bus Station will be achieved within the context of East Quarter development.

In addition to the four "Big Moves", there are opportunities for environmental enhancements in a number of 'pockets' across the City Centre – improvements that would better cement together disparate elements of the City Centre and provide momentum in delivering the more substantial remodelling of the Centre. Pocket areas where change, to underpin bigger strategic change, is needed include:

- Northernhay Place;
- Library 'squares' and interconnecting routes around the Cultural, or Castle, Quarter;
- Clock Tower;
- West Street.

WHERE ARE WE NOW?

There is much to celebrate about Exeter City Centre – at the heart of an attractive, connected, fast-developing city. Over the last decade, the development of the City Centre has mirrored the development of the city – moving from a place perhaps seen as slightly provincial towards a leading regional centre, with a City Centre that is increasingly the investment location of choice for key retailers west of Bristol.

There is a fantastic level of support within the city community for the growth, development and strengthening of the City Centre – essential as the City Centre has to respond to the local and national economic challenges and structural change within the retail and leisure sectors. In continuing to drive the City Centre forward it is important that we build upon the existing strengths of the City Centre as set out in the bullet points below under the broad aims of the new strategy:

Aim 1 – A sustainable, resilient and competitive City Centre – as it

- delivers a good – and constantly improving – mix of national brand names and an excellent range of unique and independent retailers;
- has an extensive catchment area;
- is compact and relatively easy to access, with rail services, bus provision, Park and Ride facilities and good cycle network;

Aim 2 – A vibrant City Centre which offers attractions for all – the city

- plays host to a unique and varied cultural calendar, has experienced strong growth in its food and restaurant sector and, through the recently re-opened award winning Royal Albert Memorial Museum, offers historical and contemporary collections of national significance;
- is undergoing a radical period of redevelopment and change – building on the award-winning Princesshay scheme;
- has a rich historic fabric, with the Cathedral and its Close, the wider City Centre and the Quayside providing a unique context for current and future regeneration work;
- lies in close proximity to other significant tourist attractions and some of the most stunning coastal and country locations anywhere in the country;

Aim 3 – A welcoming and safe evening and night-time environment

- Exeter has an evening economy café culture that has grown very successfully over the last decade and continues to go from strength to strength.

Aim 4 – A better first impression – the City Centre has

- a built environment that is generally good and is getting better, with the delivery of an on-going programme of high-quality public space improvement work;
- valuable green ‘lungs’ at the heart of the City Centre (Cathedral Green, Southernhay, Northernhay and Rougemont Parks and a range of ‘hidden’ green pocket spaces across the City Centre);

Aim 5 – A clean, well maintained and safe environment,

- the city is perceived as clean – but there needs to be an improvement in how well maintained and clean our public spaces are.
- the city can lay claim to ‘safe city’ status, with low crime rates and a focus on partnership working to drive crime rates down still further;

Although there are many City Centre strengths and opportunities, there are weaknesses and threats too. A SWOT analysis of Exeter City Centre is set out in Appendix A. Making progress with the 'big moves' set out within the Vision and delivery of the Action Plan aims and projects will make a major contribution towards addressing the highlighted weaknesses and threats. It is essential that the City Centre is seen not only as a key regional shopping destination, but also that it significantly strengthens its role as a leisure and cultural location of choice.

Despite the many positives, the environment in which Exeter City Centre operates is an increasingly competitive one. It is essential therefore that the City Centre adapts, expands and develops to meet the challenges presented both nationally and regionally. This City Centre Strategy begins to map out the necessary next steps in realising the aspirations included in the 'City Centre Vision For A Green Capital'.

Whilst Exeter City Centre has continued to markedly improve and cement its regional competitive position during the last decade, the City Centre is susceptible to many of the same risks as other towns and cities across the UK. The threats from the exponential growth of online shopping, from ever-increasing customer expectations around shopping as a leisure activity, from mobile technologies and from recessionary pressures are of major significance. Successful centres of the future must act as more than simple retail and visitor hubs – being innovative and adapting their offer within a constantly changing marketplace.

The recent Portas Review contains a range of extremely stark statistics – as challenging for Exeter as for other UK town and city centres. Although Internet sales currently account for less than 10% of all retail sales some estimates suggest that e-commerce accounted for nearly half of all retail sales growth in the UK between 2003 and 2012, as Internet access has become more widespread. Sales over mobile devices (dubbed 'm-commerce') have grown at an extraordinary rate – more than 500% in the last two years. By 2015 we'll see more than £40 billion a year being spent over the Internet and through mobile devices, compared with virtually nil in 1997. During the last decade the amount of out-of-town retail floor-space has risen by 30%, whilst the amount of in-town floor-space has fallen by 14%.

E-commerce and m-commerce clearly pose a threat, but there are opportunities too and an increasing recognition that what matters to retailers is achieving the right blend of on-line and 'bricks and mortar' retailing. It is worth noting that:

- increasingly a number of retailers recognise that a website presence is a key driver for shop sales;
- 88% of consumers purchase 'offline' – either as a 'True Offliner' (only views products in-store and only buys in-store) (**31%**) or as a 'RoPo' (**57%**) (informs purchases online, but buys offline);
- the challenges presented by e-commerce and m-commerce are driving more empowered consumers – empowerment that can be used to the advantage of town and city centres in relation to driving changes to opening hours, the retail experience and retail mix.
- both Amazon and E-Bay – who have been key leaders in the march of on-line retailing are seeking a presence on the UK High Street;

The challenges of e-commerce and m-commerce are in their own right significant, but when layered with the challenges that remain to the UK economy, the threats and challenges to the City Centre economy, and the retail economy specifically, remain significant. The most positive of forecasts for the UK economy show economic growth in 2013 at not much more than 1% and, whilst there is more positive news on retail inflation and consumer spending, the environment for retailers is likely to remain challenging for the foreseeable future. The 'John Lewis effect' is, in part, protecting the Exeter City Centre economy from the worst excesses of the UK recessionary pressures, but Exeter cannot remain immune from the challenges facing the UK economy as a whole.

Exeter City Centre, as with other UK town and city centres, has immeasurable social as well as economic value. With the City Centre acting as a shop window for the city as a whole, some of the underlying social challenges that the wider community faces present themselves in the City Centre and a strong City Centre economy is only possible if based on a strong community. The challenge of excessive alcohol consumption and the impact that has on at least perceptions of safety in the evening is an increasing issue for the community as a whole. A key area for action during the lifespan of the Strategy will be Aim 3 (securing a vibrant, welcoming and safe evening economy), with particular progress needed on this front to ensure the City Centre positively projects the city as a whole.

Virtually every member of the city community depends on the City Centre for meeting friends and colleagues, for shopping, for entertainment & cultural activity and as a transport hub and a hub for the public services. Individuals depend on the City Centre for jobs. Businesses depend on the City Centre for survival, profits and growth.

The City Centre offers an abundance of opportunities for growth, local employment, wealth and social interactions that are invaluable to the city. Whilst 'retailing' is the economic engine for the City Centre, the continued success and vibrancy of the City Centre will be utterly dependent on the continued loyalty of the city community and that loyalty will only remain if the City Centre clearly delivers as an accessible and sustainable 'service centre' for the community as a whole.

There is no room for complacency about the City Centre, its past success and its value. With convenience and 'leisure' shopping likely to become ever-more critical drivers of consumer behaviour, there must be a hard-headed approach to the importance of constant change to remain 'ahead of the game'.

DELIVERING THE STRATEGY

During the period covered by the Strategy, it will be very important to both:

- maintain a positive momentum behind how the City Centre develops and responds to the challenging environment;
- ensure that the benefits of a successful, attractive and competitive City Centre are felt by both existing City Centre businesses and potential new names to the City.

The Strategy contains five broad aims, all developed in consultation with a wide range of Exeter stakeholders:

1. **A sustainable, resilient and competitive City Centre;**
2. **A vibrant City Centre which offers attractions for all;**
3. **A welcoming and safe evening and night-time environment;**
4. **A better first impression;**
5. **A clean, well maintained and safe environment.**

Progress needs to be made against each of these aims as follows:

1 – A sustainable, resilient and competitive City Centre

- Maintain a momentum of renewal and investment that builds on the Princesshay and John Lewis developments and ensures the City Centre continues to strengthen its position in the regional and national retail hierarchy.
- Ensure there is a focus on strengthening the whole of the City Centre linear ‘urban spine’ (from Exe Bridges to the top of Sidwell Street) – reinforcing the city’s unique layout and ensuring that all City Centre quarters are strengthened through on-going City Centre investment.
- Ensure Exeter is the investment location of choice for retailers looking to move west of Bristol.
- Ensure there is an environment of encouragement and support for City Centre businesses wishing to invest and strengthen their city presence.
- As part of a wider transport and environmental strategy, reduce peak-hour congestion and address the resulting impact on air quality and the pedestrian environment.
- As part of the transport and environmental strategy, constantly review access to the City Centre, working to ensure the right balance between private cars and public transport and looking at both the supply of City Centre parking and pricing mechanisms – ensuring that the transportation mix encourages visitors and maximises City Centre dwell time.
- Strengthen partnership working, recognising that the most dynamic change and improvement can only be delivered with effective joint working.

2 – A vibrant City Centre which offers attractions for all

- Keep retail at the heart of the city.
- Do more to ensure that external perceptions recognise the true retail and cultural individuality and character of Exeter City Centre.
- Support the development of creative events and initiatives in the City Centre.
- Focus on creating opportunities and jobs – ensuring that, through investment in skills and training, local people (particularly young people and those wishing to return to work) have the opportunities to share in City centre success.
- Ensure that the City Centre continues to grow in strength as a ‘hub’ at the centre of the Heart of Devon tourism offer.
- Deliver something for everyone – ensuring that the retail and entertainment offer is attractive to all sections of the population.

3 – A welcoming and safe evening and night-time economy

- ‘Connect’ the day-time and evening economy – holding more and more people in the City Centre post 6pm.

4 – A better first impression

- Deliver the best possible City Centre ‘gateway’ experiences (for example at St David’s Station & Central Station, at Exeter Bus Station and at Exe Bridges).
- Improve the quality, maintenance and management of public space so that the City Centre becomes an *even* friendlier and an *even more* attractive and accessible place, with the right balance between lively and quiet spaces.
- Ensure the varied parts of the City Centre feel truly connected – with the City centre an easy and pleasurable place for visitors to navigate and with every encouragement for visitors to discover every unique element of the City Centre.

5 – A clean, well maintained and even safer environment

- Ensure the city centre maintains its reputation as a clean place – but place a greater focus on the maintenance of public spaces.
- Do more to make people *feel* safe in the City Centre, 24 hours a day.
- Deliver specific projects to tackle the minority of individuals who engage in criminal activity, anti-social behaviour and disorder, both during the day and at night.

The Strategy is published at the time of the most significant squeeze on the public finances in decades. Neither core Strategy objectives or projects will be deliverable without a clear re-alignment of expenditure on City Centre enhancements, promotion & marketing, maintenance and competitive positioning between local authorities and the business community. Progress on delivering a Business Improvement District is likely to be an essential step in this realignment. It is worth flagging that there has been consistent, and substantial, funding for the City Centre from the public purse over recent years. In 2012 alone, the City Council spent in excess of £1.5m on improvements to Paris Street & Sidwell Street and improvements to King William Street car park. £660,000 has been identified from the public purse for Central station forecourt improvements. On an annual basis, the City Council spends £750,000 on CCTV, £2.8m on the Royal Albert Memorial Museum and £250,000 on tourism, city centre management, events and festivals.

Delivery of a Business Improvement District (BID) itself will also represent a key work strand during the first part of the Strategy. In addition to unlocking essential funding to enhance the marketing, competitiveness, safety, accessibility, maintenance and cleanliness of the City Centre, a City Centre Business Improvement Project will also set out to deliver:

- the most effective possible route for ensuring that the voice of business is heard loud and clear during a further decade of radical change;
- a mechanism for harnessing the enthusiasm, vision and ideas of the widest possible cross-section of the City Centre community;
- a ‘shared commitment’ on delivering the City Centre change agenda;
- the best possible environment for nurturing and harnessing the growth potential of independent businesses.

There are three key pre-cursors to the potential delivery of a BID project:

- Re-focussing and re-energisation of the City Centre Partnership is a key priority. A new City Centre Partnership Board will be needed – that is fully representative of the full range of businesses operating within the City Centre, of all of the City Centre stakeholders that make the City Centre a cultural, visitor and business hub and that fully represents all the geographical sectors of the City Centre (to include the Quayside).

- Delivery of a series of ‘street committees’ across the City Centre, to strengthen engagement with businesses in those streets traditionally identified as ‘secondary’ retailing areas, but streets in reality that provide the essential variety of the City Centre so critical to ensuring Exeter is seen as more than simply a traditional shopping location;
- Strengthened working arrangements between key businesses, to ensure a more ‘corporate’ Exeter message on a wide range of issues, from extended opening hours to co-ordinated seasonal promotions.

It is also clear that the squeeze on public finances will remain for the period of the Strategy and beyond and that without the delivery of a Business Improvement District (BID) there will be significant difficulties in maintaining the positive momentum achieved in the City Centre over the last decade. Delivery of a BID is set out as the first key project within the Strategy Action Plan.

The Action Plan does not seek to provide an exhaustive list of projects, rather much of its focus is on highlighting key areas for action, with a need in many cases for issue and area-specific strategies and plans to be developed. The Action Plan will be reviewed, and re-issued, on a rolling two year basis throughout the lifespan of the Strategy.

Areas highlighted within the Action Plan are prioritised as follows:

- Projects only deliverable through a City Centre BID;
- Key projects for City Centre strengthening and growth;
- Essential day-to-day operational issues.

Progress on Strategy impact will be measured through a basket of PI measures which, amongst others, will include:

- Retail vacancy rates – monitoring report every other month;
- Car Park ticket sales (City Council) – monitoring monthly, quarterly and annually;
- Public transport usage, including Park & Ride;
- Retail takings benchmark analysis – monitoring quarterly;
- Visitor figures for Exeter Cathedral, RAMM, and other attractions – monitoring monthly/quarterly;
- Footfall monitoring, Princesshay & Guildhall Shopping Centre.

Action Plan

Projects only deliverable through a City Centre BID

Aim 1 – A sustainable, resilient and competitive City Centre			
Project	Year	Lead Partners – and cost estimate (where identified)	Objectives/Outcomes
Business Improvement District (BID)	Spring 2014 target for BID ballot	City Centre businesses Chamber of Commerce Exeter City Council Devon County Council BID feasibility study & campaign – minimum of £30k	To strengthen the City Centre's competitive position, improve marketing and promotional activity, increase day visitor numbers, increase awareness of the Exeter 'offer' and enhance City Centre safety, security and cleansing & maintenance.
Retailer inward investment targeting	Reviewable targets list First list 2015	Exeter City Council Private landlords Chamber of Commerce BID	To further strengthen Exeter's competitive position by strengthening the representation of significant retail names in the city.
Improved presentation of vacant retail units On-going development of initiatives for use of vacant retail units	On-going	£8,000 p.a. Exeter City Council Private landlords BID	To enhance the visitor experience. To create a better trading environment for all businesses.
Aim 2 – A vibrant City Centre that offers attractions for all			
Project	Year	Lead Partners – and cost estimate (where identified)	Outcomes
Renovation and regular Summer use of Northernhay bandstand	2015	Exeter City Council BID Lottery funding Corporate business sponsors £50,000	To deliver increased enjoyment in (& use of) Northernhay Gardens – reducing incidents of anti-social behaviour and encouraging wider use of a key City Centre park.

Project	Year	Lead Partners – and cost estimate (where identified)	Outcomes
City Centre WiFi and 4G	2015	City Centre businesses Exeter City Council Private sector providers City Centre landlords	Delivering a more business and customer-friendly City Centre.
Aim 3 – A welcoming and safe evening and night-time environment			
Project	Year	Lead Partners – and cost estimate (where identified)	Outcomes
Purple Flag Award or appropriate alternative quality scheme	2015	Devon & Cornwall Police Exeter City Council University of Exeter BID Community Safety Partnership	Achieving Purple Flag status – the measure of the safest and most welcoming UK towns and cities at night – would deliver a range of benefits for the City Centre. Benefits would include: <ul style="list-style-type: none"> • A raised profile and an improved public image for the City Centre; • Increased visitor numbers; • Increased expenditure; • Further reductions in levels of crime and anti-social behaviour; • The delivery of a more successful mixed-use economy.
Aim 4 – A better first impression			
Project	Year	Lead Partners – and cost estimate (where identified)	Outcomes
City Champions/Ambassadors	2015	Exeter City Council Chamber of Commerce Exeter & Heart of Devon Hoteliers and Restaurants Association City Centre businesses	To ensure that 'city gatekeepers'/first points of contact have a good knowledge of Exeter City Centre (facilities, attractions and history). This will be achieved through provision of targeted training and information to taxi drivers, hoteliers, bus drivers and other frontline staff. This will lead to improved perceptions of Exeter as

Project	Year	BID Lead Partners – and cost estimate (where identified)	Outcomes
Improvement to Cathedral & Quay Car Park/City Centre links through South Street, Coombe Street and to the Quayside	2017	Exeter City Council Devon County Council BID	To enhance the visitor experience and significantly improve first impressions of the City Centre.
City Centre 'Hidden Pockets' (for example Coombe Street, Parliament Street & The Mint)	2017	Exeter City Council Devon County Council BID	To deliver targeted improvements and signage to the 'interesting' hidden City Centre public spaces, leading to enhanced perceptions of the individuality and diversity of Exeter and enhancing the attractiveness of – and visitors enjoyment of – the City Centre.
Aim 5 – A clean, well maintained and safe environment			
Project	Year	Lead Partners	Outcomes
Child Safe Zone – expanding scheme beyond the Guildhall Shopping Centre/Princesshay	2015	City Centre businesses Exeter City Council Devon & Cornwall Police	To deliver a more family-friendly shopping environment, further strengthening competitive position over other regional shopping locations.

Key projects for City Centre Strengthening and Growth

Aim 1 – A sustainable, resilient and competitive City Centre			
Project	Year	Lead Partners – and cost estimate (where identified)	Outcomes
Redevelopment of the Bus Station	Target start date – 2015	Exeter City Council Land Securities Devon County Council Stagecoach	To deliver a step-change in the City centre leisure and retail offer and deliver a state-of-the-art bus station and modern swimming pool complex.
West Quarter Development Strategy	2015	Exeter City Council Fore Street Business Collective Devon County Council	To identify a programme of measures to enhance Fore Street and the West Quarter – leading, in turn, to improved perceptions of what the West Quarter has to offer and, in due course, to improvements to footfall and trading levels.
Visitor Coach Parking Strategy	Report – Spring 2014	Exeter City Council Heart of Devon Tourism Partnership	To enhance the City Centre visitor experience. To encourage repeat visits.
Park & Ride expansion	On-going strategy development	Devon County Council	To deliver easier access to the City Centre, improving travel options for visitors, shoppers and city workers.
Sunday Trading Hours	As legislation comes forward	City Centre businesses Exeter City Council Public transport operators	To capitalise on any long-term changes to the Sunday trading regulations – strengthening the City Centre's competitive position.
Aim 2 – A vibrant City Centre that offers attractions for all			
Project	Year	Lead Partners – and cost estimate (where identified)	Outcomes
Delivering an action plan for 'showcasing' local food producers more effectively within the City Centre – to also include analysis of options for developing 'edible city' initiatives	Initial plan of action – 2014	Exeter Chamber of Commerce Private sector partners Real Food Store Exeter City Council	To strengthen links between City Centre and key local food producers. To deliver increased City Centre interest and attractiveness.

Project	Year	Lead Partners – and cost estimate (where identified)	Outcomes
Developing the 'Castle Quarter'	2014 – completion of feasibility study/delivery strategy	Exeter City Council Exeter Phoenix Devon County Council Exeter Chamber of Commerce	To strengthen the overall offer of the City Centre – ensuring visitors are encouraged to visit the greatest possible range of city attractions and to move beyond the 'core' City Centre area and to maximise City Centre dwell time.
Review of use of Northernhay & Rougemont Gardens and Southernhay	2014	Exeter City Council Exeter Chamber of Commerce Devon County Council	Significant opportunities for increasing use of green spaces at the heart of the City Centre, delivering enhanced City Centre enjoyment and making a significant contribution to the safety and attractiveness of key City Centre parks.
Christmas Lights	On-going	Exeter City Council Exeter Chamber of Commerce Corporate business sponsors City Centre businesses BID Core 'baseline' City Council budget of £14,500 agreed for 2013, 2014 & 2015	To deliver a funding package to ensure the delivery of Christmas Lights that are unique, innovative and that support the City Centre's competitive position.
Aim 3 – A welcoming and safe evening environment			
Project	Year	Lead Partners – and cost estimate (where identified)	Outcomes
Develop a clear Strategy for the development of the evening and night-time economy	2013/14	Devon & Cornwall Police Exeter City Council City Centre licensees City Centre businesses Community Safety Partnership	To secure the safest possible evening and night-time economy, ensuring a positive reputation for the City Centre as a visitor destination during the evening and night-time period.

Project	Year	Lead Partners – and cost estimate (where identified)	Outcomes
To examine the potential of Early Morning Alcohol Restriction Orders	2014/2015	Devon & Cornwall Police Exeter City Council City Centre licensees City Centre businesses Community Safety Partnership	A new power that should be considered. Potential to reduce 'pre-loading'. Significant improvements anticipated in safety – and perceived safety – of City Centre. Anticipated impact on broadening-out the attractiveness of the City Centre at night to the widest possible cross-section of the community. Potentially significant savings in relation to policing costs and cleansing & maintenance.
Taxi Marshalls	2013 Development on-going	Devon & Cornwall Police Exeter City Council University of Exeter Community Safety Partnership Exeter Businesses - BID	To secure the safest possible evening economy environment, ensuring a positive reputation for the City Centre as a visitor destination during the evening and night-time period.
'Safe Zone'	2015	Exeter City Council Devon & Cornwall Police Street Pastors City Centre licensees NHS Community Safety Partnership	To create a place of 'refuge' in the City Centre during the night-time period – to potentially include a new Street Pastors' base and the provision of a Health Triage service.
Aim 4 – A better first impression			
Project	Year	Lead Partners – and cost estimate (where identified)	Outcomes
Central Station Forecourt enhancement	2013	Devon County Council Exeter City Council Network Rail £660,000	To deliver the best possible first impression to City Centre visitors and ensuring a sense of 'arrival'.
West Quarter enhancements ('The Hill')	2015	Exeter City Council Local businesses Devon County Council	To strengthen West Quarter as a key hub of independent businesses and café culture, driving footfall and 'signposting' West Quarter businesses.

Project	Year	Lead Partners – and cost estimate (where identified)	Outcomes
Connecting Fore Street, South Street, the 'West Quarter' & the Quayside	2015	Exeter City Council Devon County Council	To deliver improved pedestrian spaces, improve accessibility through, and minimise the impact of traffic in, the West Quarter. In turn this will strengthen the attractiveness of the area to visitors and shoppers and improve links between the City Centre and Quayside.
Exeter St David's Station Forecourt	2015	Exeter City Council Devon County Council	To deliver the best possible first impression to City visitors and sense of arrival in a city of regional significance.
Public Toilet provision (to include Community Toilet Scheme)	On-going	Exeter City Council Exeter Chamber of Commerce City businesses	To improve provision of public toilets in terms of quality and accessibility. To ensure accessibility of toilets is excellent for all parts of the community.
Aim 5 – A clean, well maintained and safe environment			
Extend the EBAC radio network to cover all City Centre pubs and clubs and other venues where appropriate	2014	City Centre businesses Exeter City Council Devon & Cornwall Police Licensees Association Minimal cost to City Council Cost to business of approximately £450 per radio	To deliver a safer, more welcoming City Centre during the evening & night-time period.
Expansion of Exeter Businesses Against Crime (EBAC)	Annual improvement plan	City Centre businesses Exeter City Council Devon & Cornwall Police Nil cost to public sector Annual costed improvement plan	To deliver a safer, more welcoming, City Centre and ensuring the City Centre becomes less of a target for shoplifters, criminal activity & anti-social behaviour.

Project	Year	Lead Partners – and cost estimate (where identified)	Outcomes
Promotion of the 'Diverted Giving' & 'Suspended Food/Drinks' scheme	2013 launch Annual development plan	City Centre businesses Exeter Community Safety Partnership Exeter City Council Devon & Cornwall Police	To deliver a safer, more welcoming City Centre during the evening & night-time period.

Essential day-to-day operational issues

Aim 1 – A sustainable, resilient and competitive City Centre			
Project	Year	Lead Partners – and cost estimate (where identified)	Outcomes
Customer-convenient trading hours	Annual Progress Report	City Centre businesses Public transport operators Exeter & Heart of Devon Hoteliers & Restaurants Association Exeter City Council	To improve the link between the day-time and evening economies and to broaden the character of the latter by strengthening the café culture and extending opening hours. To deliver an improved ambience and reduce the incidence of alcohol-related anti-social behaviour.
Review of street markets – identification of opportunities for significant development	Options report – Summer 2014	Exeter City Council	Identification of opportunities for growth and enhancement of City Centre markets, with a view to enhancing City Centre shopping opportunities and dwell time.
Year-round Markets	On-going	Exeter City Council	To deliver increased City Centre retail options with a year-round series of specialist markets – building on the delivery of the 2012 Cathedral Christmas Market.
Regular PI monitoring and reports	Annual Progress Report	City Centre Manager Exeter City Council City Centre businesses	To ensure the decision-making process is well informed, with reliable and up to date information on City Centre performance
Aim 2 – A vibrant City Centre that offers attractions for all			
Project	Year	Lead Partners – and cost estimate (where identified)	Outcomes
Review of street trading/street trading regulation across the City Centre. Deliver a City centre focus on street food.	2014	Exeter City Council Devon County Council Exeter Chamber of Commerce City Centre businesses	To recognise the potential of appropriate street trading to enhance the vibrancy of the City Centre; to use designated street trading and ‘street food’ areas as a mechanism for drawing footfall in to ‘secondary’ retailing areas such as Castle Street and the Cultural Quarter & Fore Street and the West Quarter.

Project	Year	Lead Partners – and cost estimate (where identified)	Outcomes
Continued development of Exeter Trails – for independent cafes, food, arts & crafts, vintage & boutique and sports & leisure	Annual plan	Exeter businesses Exeter City Council Opportunities to link to development of Exeter App £10,000 City Council funding to first series of maps	To deliver a better and more varied visitor experience. To support a key component of the City Centre 'offer'.
Christmas Market	Annual (first year – 2012)	Exeter Cathedral Exeter City Council Exeter Chamber of Commerce Exeter & Heart of Devon Hoteliers & Restaurants Association	To strengthen the attractiveness of Exeter as a visitor destination during the Christmas shopping period, with an annual Christmas Market. Year-on-year growth to be delivered.
Betting Shops – Review of Policy/Provision	2014	Exeter City Council	To consider what role betting shops play in the City Centre, ensuring that over-provision does not detract from the core City Centre retailing area.
Aim 3 – A welcoming and safe evening environment			
Project	Year	Lead Partners – and cost estimate (where identified)	Outcomes
Support the activities and initiatives of the Exeter Alcohol, Violence & Night Economy Group	On-going	City Centre businesses Community Safety Partnership Exeter City Council Devon & Cornwall Police Public transport operators	To deliver improvements to the Exeter evening and night-time economy, ensuring the City Centre is an attractive and safe place in the evening for the broadest possible cross-section of the community.
To review the practicalities of a scheme identifying 'problem' premises – with the potential rolling publication of the top 5 problem premises.	On-going	Devon & Cornwall Police Exeter City Council City Centre licensees	To secure the safest possible evening economy environment, ensuring a positive reputation for the City Centre as a visitor destination during the evening and night-time period.
Taxi Rank Provision	On-going	Devon County Council Devon & Cornwall Police	Rank location, size and management have a major proven impact on safe and efficient dispersal of late-

		Exeter City Council	night economy users.
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Aim 4 – A better first impression			
Project	Year	Lead Partners – and cost estimate (where identified)	Outcomes
Street Scene – ‘Scores on the Floors’ Scheme and other partnership working	2014/2015	Exeter City Council City Centre businesses Chamber of Commerce	Building on the success of the Food Hygiene Rating Scheme, to encourage businesses to take more care with their own external housekeeping – refuse provision, customer litter, flyposting and graffiti. A scheme that rates and recognises tidy premises should help deliver a cleaner, brighter City Centre and a more attractive and successful trading location.
Taxi Forum	2013 and on-going	Exeter City Council Taxi operators Devon County Council	Recognising that taxis are a critical part of the smooth operation of the City Centre, a developing Taxi Forum will provide the opportunity to strengthen dialogue with the taxi trade and in turn to work with the taxi trade to: <ul style="list-style-type: none"> • Deliver the best possible customer service, with well informed drivers aware of all that the City Centre has to offer, of City Centre attractions and events and of City facilities; • Ensure that taxi provision (including the location of City Centre taxi ranks) is convenient and clearly ‘signed’; • Promote a positive and distinctive image for Exeter taxis.
Aggressive charity collectors Policy	2014	Exeter City Council Exeter Chamber of Commerce Charity Commission	To enhance the visitor experience by agreeing controls on aggressive charity collector activity in the City Centre, with a code of conduct to strike the right balance between charitable donations and the number of pitches, numbers of chuggers and number of days on which ‘chuggers’ are permissible.

Aim 5 – A clean, well maintained and safe environment			
Project	Year	Lead Partners – and cost estimate (where identified)	Outcomes
Delivery of an annual action plan on street & paving maintenance	Annually	Devon County Council	To deliver a better visitor experience
Expansion of Exeter Businesses Against Crime (EBAC). Annual Improvement Plan	Annual improvement plan	City Centre businesses Exeter City Council Devon & Cornwall Police	To deliver a safer, more welcoming, City Centre, ensuring the City Centre becomes less of a target for shoplifters, criminal activity & anti-social behaviour.
Delivery of a co-ordinated anti-begging strategy (see also 'Diverted Giving' project)	Annually – six-monthly progress review	Exeter City Council Exeter Community Safety Partnership Exeter Community Initiatives Devon & Cornwall Police City Centre businesses £1,500 for initial launch publicity – Community Safety Partnership	To deliver a safer, more welcoming, City Centre

STRENGTHS	WEAKNESSES
<p>Exeter Economy Strength of Exeter professional and business services and business quarters & East Devon Growth Point progress, including the development of Cranbrook</p> <p>Location Strategic location within South West Region Proximity to the Coast (particularly the Jurassic Coast World Heritage Site), Exmoor, Dartmoor</p> <p>Access Access to, and within, the City Centre is generally good – <i>although see also Weaknesses and Threats</i> Good – and improving – rail links Range of key rail services running to heart of City Centre, with excellent access to CBD from Central Station Comprehensive bus coverage, with extensive operating hours; usage increasing, contrary to the national trend Good, & improving, park & ride provision</p> <p>Retail Mix Mix of major retailers and independents</p> <p>'Townscape' Compact City Centre 'core' – easy to navigate and 'understand' Attractive hidden 'pockets' – such as St Catherine's Almshouses Historic, interesting, buildings and townscape Cathedral Green</p> <p>Safety City Centre generally considered to be 'safe and secure' Excellent network of CCTV</p> <p>Eating/Drinking Great – and improving – mix of good quality cafes and restaurants</p> <p>Public Art</p> <p>Car Parking Quality of Car Parking stock and amount of user-friendly 'pay on foot' parking</p> <p>Pedestrian Signage</p> <p>Facilities Strong cultural facilities – RAMM, Bike Shed Theatre, Phoenix, Spacex Gallery Good heritage offer – Cathedral, Quayside, Underground Passages, City Centre churches, City Wall Excellent green lungs at the heart of the City Centre – Rougemont, Northernhay, Southernhay</p> <p>Education Top 10 University – major driver for City Centre economy</p>	<p>Access <i>Perception</i> of City centre as challenging to access <i>Perception</i> of Exeter as remote from key national population centres Congestion on radial routes, particularly at peak times Lack of park & ride provision to serve western and northern city catchments</p> <p>'Townscape' Large elements of 50s redeveloped City Centre – specifically Sidwell Street, Bus Station, 'top' of Fore Street Blank return frontages on Queen Street, adjacent to High Street 'Presence' of Guildhall Shopping Centre on Queen Street 'Concrete Canyons' of Cultural Quarter – Musgrave Row, area around Central Library, Telephone Exchange 'Linear' City Centre City Centre 'gateways' arguably give a poor impression of the City Centre</p> <p>Business Engagement Lack of a City Centre BID</p> <p>Eating/Drinking Remaining focus on evening economy businesses with a sole focus on drinking in specific areas of the City Centre</p> <p>Pedestrian Signage – questionable as to whether signage drives footfall to 'secondary' retailing areas</p> <p>Facilities Poor provision for teenagers - & arguably for families with young children</p> <p>Opening Hours Poor offer</p> <p>Retail Mix <i>Perception</i> of 'Clone City'</p> <p>Web Weakness of information on City Centre shopping provision</p> <p>Public Art – some needs 'refreshing'</p>

OPPORTUNITIES	THREATS
<p>BID Support for a City Centre BID will unlock substantial additional income streams for the promotion, marketing and enhancement of the City Centre.</p> <p>Access Park & Ride – opportunities from delivery of Park & Ride to serve northern City Centre catchment Strengthening of tourism with increasing capacity of and expansion of Exeter Airport</p> <p>Gateways Improvements to key City Centre gateways – Western Way/Paris Street roundabout, St David's Station, Central Station Opportunities for 'gateways' to some shopping areas – specifically Castle Street, Fore Street & 'West Quarter'</p> <p>Retail Mix Could be significantly enhanced John Lewis effect Opportunities arising from the development of new, specialist, markets</p> <p>Opening Hours Significant opportunity for extending opening hours Connecting day and night time economies</p> <p>'Public Spaces' Opportunity to make more of public spaces – specifically Cathedral Green & City Centre parks Opportunities from further driving 'pedestrianisation' agenda forward</p> <p>Townscape Opportunities to drive more obvious pedestrian 'circuits' to offset disadvantages of 'linear' City Centre 'Interpretation' of historic core/City Walls Development of iconic new buildings Opportunities to make more of 'The (Fore Street) Hill' as a key independent shopping destination</p> <p>More celebration of what's great about Exeter!</p> <p>Information & Communication Opportunities to turn more businesses/business people/city workers in to City Centre 'ambassadors'/'information experts'</p> <p>Festivals & Culture Opportunity to grow festivals offer and year-round cultural activity Development of Exeter as a hub for the performing arts within the region</p> <p>Eating & Drinking Opportunity to grow reputation of Exeter as a centre for gastronomy</p> <p>Facilities Growing the 'Castle Quarter' offer – strengthening interface between RAMM, Phoenix, Library & Castle Improving City Centre hotel offer</p>	<p>'Townscape' Large elements of 50s redeveloped City Centre – specifically Sidwell Street, Bus Station, 'top' of Fore Street Blank return frontages on Queen Street, adjacent to High Street 'Presence' of Guildhall Shopping Centre on Queen Street 'Concrete Canyons' of Cultural Quarter – Musgrave Row, area around Central Library, Telephone Exchange 'Linear' City Centre City Centre 'gateways' arguably give a poor impression of the City Centre</p> <p>Safety Risk to CCTV effectiveness from staff availability for monitoring Continuing reductions in Police numbers</p> <p>Opening Hours Failure to connect day and night time economies likely to result in inability to change 'dynamic' of City centre at night</p> <p>Access Increases in car parking charges may impact on City Centre's competitiveness Failure of Exeter Airport to reach growth opportunities, with loss of business and tourism to Bristol hub <i>Perception</i> of City centre as challenging to access <i>Perception</i> of Exeter as remote from key national population centres</p> <p>Image Exeter perceived as old-fashioned, traditional & sleepy</p> <p>Multi Purpose City Centre Venue – Corn Exchange current capacity limiting its potential</p> <p>Economy/Market Conditions Ongoing challenges to retailing from tough recessionary pressures Risks to local economy from public sector cuts Reduced visitor numbers to Exeter as a result of people finding cheaper holidaying options elsewhere in the UK/in Europe</p> <p>BID Failure of City Centre businesses to support</p>

EXETER CITY COUNCIL

EXECUTIVE
17 SEPTEMBER 2013

PROPOSED DRAFT AMENDED SUPPLEMENTARY PLANNING DOCUMENT: 'HOUSES IN MULTIPLE OCCUPATION (INCLUDING CLASS C4 USES)' FOR PUBLIC CONSULTATION

1 PURPOSE OF REPORT

- 1.1 In July 2011, Executive adopted a Supplementary Planning Document 'Houses in Multiple Occupation (Including Class C4 Uses)' following public consultation. The purpose of this report is to consider amending the guidance to apply a restriction on further HMOs to a wider area comprising the entire area that is subject to a previous Article 4 Direction that came into effect on 1 January 2012. The Article 4 Direction brought changes of use from Class C3 (dwellings) to Class C4 (small HMOs for 3-6 persons) within planning control.

2 BACKGROUND

- 2.1 The purpose of the SPD is to clarify the implementation of Policy H5(b) of the Exeter Local Plan that relates to potential over concentrations of flats, self contained bedsits, HMOs or student housing that would change the character of the neighbourhood or create an imbalance in the local community.
- 2.2 The issue of imbalanced communities in Exeter primarily relates to concentrations of housing occupied by students. The SPD uses Council Tax exemptions Class N (homes entirely occupied by full time students) as an indicator of the degree of concentration.
- 2.3 A now superseded supplementary planning guidance document adopted in 2008 used a threshold of 25% Class N exemptions as a basis of resisting further HMOs within three areas of the City. The SPD adopted in July 2011 used a threshold of 20% applied to wards or parts of wards that were subject to the Article 4 Direction extending the restriction to a wider area.

3 MONITORING

- 3.1 The SPD states that data on Class N exemptions would be monitored annually every May. Monitoring reports have been produced for Planning Member Working Group in July 2012 and July 2013.
- 3.2 Monitoring identified that the number of exemptions continued to increase to May 2012, however, there was no further increase to May 2013 and an increase of 115 units of purpose-built accommodation was countered by a small reduction in shared student homes, most notably in part of Polsloe.
- 3.3 The halt in the growth of Council tax exemptions reflects the wider context of the growth of the University of Exeter. The number of students has been relatively stable at about 15,000 fte from September 2010 to September 2012. However, over that period about 800 additional student bedspaces of purpose-built accommodation were added to the stock in each of the 2011 and 2012

academic years and a further 660 bed spaces are expected in the 2013 academic year. This has led to an increase in vacancy rates of shared houses and some of the less popular purpose-built student accommodation. The Council is aware that the University's recent five year plan envisages an expansion to about 18,000 fte students by 2018/19 which is likely to lead to a take up of slack in the market and further pressure of growth in HMOs in popular student areas.

3.4 During the period since adoption of the SPD there has been increased volatility in the data for areas. The part of Duryard subject to the Article 4 Direction around King Edward Street was above the 20% threshold in May 2012, and hence subject to a restriction, but is now below the threshold again. It is important that there should be consistency in the approach.

3.5 The May 2013 monitoring identifies the following proportion of exemptions:

Part of Ward	Proportion at May 2013
St James (excluding 9 streets outside Art 4)	24.6%
Polsloe (part)	21.3%
Newtown (north of Blackboy Road)	24.5%
Newtown (central part)	12.0%
Newtown (Athelstan Rd area)	11.1%
Duryard (King Edward St area)	16.4%
St Davids (north of Exe/Paul Street)	24.0%
Pennsylvania (southern part)	14.5%
Total within Article 4 Direction	21.2%

3.6 PMWG recently took the view that in the light of continuing representations that less than the 20% threshold of exemptions still created imbalanced communities, the future growth of the University, the increased volatility of the data base leading to uncertainty and the opportunity presented by the current over supply in the market, that it was an appropriate time to consider extending the policy restriction to the entire area covered by the Article 4 Direction. This would introduce a restriction on new HMOs in parts of Duryard, Pennsylvania and two areas of Newtown that are presently below the 20% threshold.

3.7 While the area covered by the Article 4 Direction as a whole remains above 20% (21.2%) the justification is based upon perceived harm through community imbalance below this level.

4 THE WAY FORWARD

4.1 It would be appropriate to undertake public consultation on the proposed amended SPD. This should be in the form of a general consultation to interested parties and a more targeted consultation through posters on lamp posts and in any public buildings and contact with any residents groups in the four areas directly affected.

- 4.2 It is proposed to undertake the public consultation for six weeks and report back to PMWG and Executive in December/January.
- 4.3 A copy of the proposed draft amended SPD is at Appendix One. A consultation statement will also be produced.
- 4.4 The SPD amplifies the interpretation of Policy H5(b) of the adopted Exeter Local Plan. This Local Plan will eventually be superseded by a Development Delivery Development Plan Document that is expected to be agreed by Executive later in 2013. It is proposed that the SPD also be used to amplify the issue of community imbalance in relation to the policy in that document that replaces H5(b). The SPD will be amended to include references to the new emerging policy as well.

5 RECOMMENDATION

- 5.1 That the draft amended Supplementary Planning Document 'Houses in Multiple Occupation (including Class C4 Uses)', attached at Appendix One, be agreed as a basis for public consultation.

RICHARD SHORT
ASSISTANT DIRECTOR CITY DEVELOPMENT

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

EXETER CITY COUNCIL

SUPPLEMENTARY PLANNING DOCUMENT HOUSES IN MULTIPLE OCCUPATION (INCLUDING CLASS C4 USES)

1 STATUS OF DOCUMENT

- 1.1 This amended Supplementary Planning Document was agreed by the Council's Executive on 17 September 2013 as a basis for public consultation.

2 BACKGROUND

- 2.1 The University of Exeter has grown significantly in recent years from 11,923 full time equivalent students in 2006/7 to 15,250 at 2010/11 and it expects to reach 18,000 by 2018/19. While a significant and increasing proportion of students live in purpose-built student accommodation, a large number live in shared student houses that are concentrated in certain parts of the City that are close to the University's campuses. The number of properties in Exeter that are exempt from Council Tax due to entire occupation by full time students has increased from 1,184 in 2006 to 2,724 in May 2011. This includes an increasing number of purpose-built private student cluster flats and studios.
- 2.2 Not all students who live in private houses are in properties that are registered as exempt from Council Tax. There are students who lodge or share with non-students. There are also many houses in multiple occupation that are not occupied by students and small properties of 1 or 2 bedrooms that are Council Tax exempt that are not classified as houses in multiple occupation. Therefore the figures for Council Tax exemptions do not show the whole picture so far as houses in multiple occupation (HMO's) are concerned, but they do provide a useful indicator for gauging the growth and distribution of student occupation in private dwellings.

3 PURPOSE OF GUIDANCE

- 3.1 The purpose of the guidance document is to clarify the implementation of Policy H5(b) of the Exeter Local Plan. It is also likely to be used in relation to any forthcoming replacement of that policy.
- 3.2 The law requires that planning decisions be in accordance with the development plan unless other material considerations indicate otherwise. The main part of the development plan relevant to student accommodation is criterion (b) of Policy H5 of the adopted Exeter Local Plan. This states:

H5: THE CONVERSION OF DWELLINGS TO FLATS, SELF CONTAINED BEDSITTERS OR HOUSES IN MULTIPLE OCCUPATION AND THE DEVELOPMENT OF SPECIAL NEEDS OR STUDENT HOUSING WILL BE PERMITTED PROVIDED THAT:

(b) THE PROPOSAL WILL NOT CREATE AN OVER CONCENTRATION OF THE USE IN ANY ONE AREA OF THE CITY WHICH WOULD CHANGE THE CHARACTER OF THE NEIGHBOURHOOD OR CREATE AN IMBALANCE IN THE LOCAL COMMUNITY.

4 SCOPE OF GUIDANCE

- 4.1 The guidance will apply to all planning applications for change of use from homes (Class C3 of the Use Classes Order) to Class C4 (houses in multiple occupation by three to six people) and to 'sui generis' houses in multiple occupation of seven or more occupants, within the areas shown on the accompanying plan. In this area planning permission is required for material change of use from Class C3 to Class C4 following the removal of permitted development rights through an Article 4 Direction taking effect in January 2012. The guidance does apply to purpose-built student accommodation or to nine streets that are not subject to the Article 4 Direction. They are:

Culverland Road
Danes Road
Edgerton Park Road
Hillsborough Avenue
Mowbray Avenue
Old Park Road
Springfield Road
Victoria Street
Wrentham Estate

- 4.2 Further guidance on the need for planning permission for houses in multiple occupation is available on the Council's website at <http://www.exeter.gov.uk/index.aspx?articleid=13208&listid=9485>
- 4.3 The proposed restriction on further houses in multiple occupation will not affect properties that can prove an existing lawful use as a house in multiple occupation.
- 4.4 Council Tax exemptions within the area amounted to 21.2% of homes at May 2013. The area has been extended to include two parts of Newtown ward and parts of Pennsylvania and Duryard wards which previously had been less than 20% of exemptions.

5 BASIS OF PROPOSED POLICY

- 5.1 With effect from 1 January 2012, the Council is proposing to resist any further changes of use to houses in multiple occupation within the area shown stippled on Plan 1. In other words the Council will regard the existing proportion of Council Tax exemptions as an over-concentration of HMO use for the purposes of Policy H5(b).

Exceptional Circumstances

- 5.2 The personal circumstances of an occupier, personal hardship, or the difficulties of businesses which are of value to the welfare of the local community may be material to the consideration of a planning application. Such arguments will seldom outweigh the more general planning considerations. However, there may be some cases where very localised communities are already so imbalanced that the policy objective of protecting a balance is unlikely to be achieved. In these cases owners of Class C3 dwellings may find difficulty in finding a purchaser for continued Class C3 use and may therefore wish to change to Class C4/HMO use. In considering whether to make an exception in such cases to the policy and this SPD guidance the Council will have regard to:

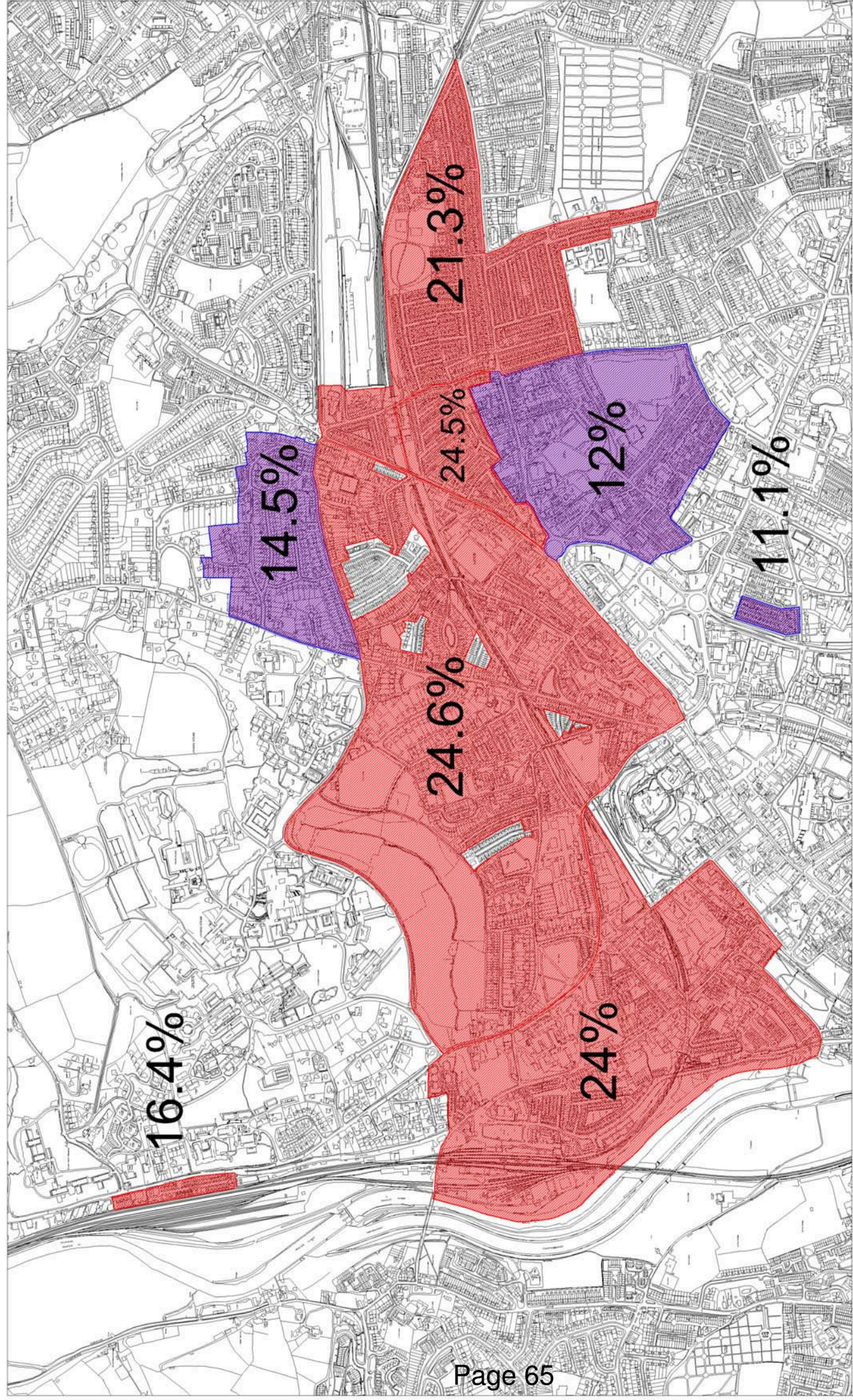
- Local representations in support or objection from those directly affected by the proposal.
 - The proximity of existing Class C4 uses, larger HMOs or Council Tax exempt properties where they might be likely to affect the amenities of normal family life (e.g. if there were such uses on both adjoining sides).
 - Any demonstrable difficulty in achieving a satisfactory sale of a property as a Class C3 dwelling.
 - Any other circumstances indicating the policy restriction is causing severe personal hardship.
- 5.3 This policy has been drafted on the basis of data at May 2013. Data will be updated on an annual basis every May.

6 FURTHER INFORMATION

- 6.1 Any representations on this draft SPD should be sent by email to janet.warren@exeter.gov.uk or in writing to: Exeter City Council, Civic Centre, Paris Street, Exeter, EX1 1NN.

**RICHARD SHORT
ASSISTANT DIRECTOR CITY DEVELOPMENT
SEPTEMBER 2013**

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Planning policy restricting additional houses in multiple occupation (including Class C4 uses) data at 31/05/2013

- Area subject to existing restriction
- Area now proposed to be subject to restriction in draft SPD September 2013



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EXETER CITY COUNCIL

PLANNING MEMBER WORKING GROUP 10 SEPTEMBER 2013

EXECUTIVE 17 SEPTEMBER 2013

COUNCIL 15 OCTOBER 2013

COMMUNITY INFRASTRUCTURE LEVY ADOPTION AND AFFORDABLE HOUSING SUPPLEMENTARY PLANNING DOCUMENT REVISION

1 PURPOSE OF REPORT

- 1.1 The purpose of this report is to seek Planning Member Working Group, Executive and Council support for the adoption of the Exeter Community Infrastructure Levy and for revision of the Affordable Housing Supplementary Planning Document that was adopted in February 2013.

2 BACKGROUND

- 2.1 The Council has been working towards adoption of a Community Infrastructure Levy since Autumn 2011.
- 2.2 The Community Infrastructure Levy (CIL) is a new form of charge that allows local authorities to raise funds from developers undertaking new building projects in their area. CIL is applied at a fixed rate per square metre to net additional new development of one or more dwellings, or with a floor area of more than 100 square metres. Exemptions are available for buildings occupied by charities and social housing. The money collected can be used to fund a wide range of infrastructure that is needed as a result of development including transport facilities, flood defences, schools, sports facilities and other green infrastructure.
- 2.3 CIL is the Government's preferred vehicle for the collection of contributions towards infrastructure from new development but, whilst it is a new form of charge, it does not necessarily represent an additional cost to new development. Rules on securing contributions through section 106 agreements have been tightened and are set to become even more restrictive from April next year such that it will not be possible to pool more than five section 106 developer contributions towards one item of infrastructure. This means that Councils' only real prospect of securing contributions towards strategic infrastructure from new development is through CIL, with section 106 agreements generally used only for affordable housing provision and site specific matters.
- 2.4 Members will recall that in March 2012 Executive approved a Draft CIL Charging Schedule for public consultation and delegated the decision on whether to submit the Draft Charging Schedule for independent examination to the Council Leader and Lead Councillor for Sustainable Development and Transport.
- 2.5 The Draft Charging Schedule had been prepared on an evidential basis. This focussed on (i) an assessment of the considerable infrastructure costs associated with delivering the Council's Development Plan; and (ii) an assessment of how much

(on an area wide basis) it would be financially viable for different forms of development to contribute towards these costs.

- 2.6 Examination commenced in December 2012 and the Examiner's Report was received in August 2013. The report recommends that the Draft Charging Schedule (as submitted with modifications) be approved. This is good news for Exeter and the City Council, which has become one of the first 20 authorities in the country to reach this position. The full Examiner's report is available on the Council's website at www.exeter.gov.uk/cil and a copy can be made available for Members on request.

3 CHARGING RATES

- 3.1 The proposed Community Infrastructure Charging Schedule is at Appendix 1. The CIL Examiner has approved the following charging rates per square metre:

Residential - £80

Purpose built student housing - £40

Out of city centre retail - £125

All other development - £Zero

- 3.2 Following consultation on the Draft Charging Schedule, and with Leader and Portfolio Holder approval, a Statement of Modifications was issued that provided for a reduction to retail rates. Whereas a charge of £240 per square metre had been proposed for Supermarkets, Superstores, Retail Warehouses and Warehouse Clubs outside of the city centre; a flat rate for all out of city centre retail (including eating and drinking establishments) of £125 was put forward. This was to address consultation comments that the retail proposals would be unworkable for example when trying to draw a distinction between (chargeable) supermarkets and (zero rated) local convenience stores. The Examiner accepts these changes stating that they will "overcome concerns about distortion in the retail market".

4 INCOME

- 4.1 With CIL at £80 per square metre, an average dwelling size of 90 square metres, and assuming that more than 4,800 new dwellings are granted planning permission and charges become payable before the end of the plan period in 2026; CIL from new housing can be expected to raise around £23 million. Taking into account all other forms of chargeable development, income could be expected to total around £29 million.
- 4.2 CIL will only apply to new planning permissions, albeit including resubmissions. The Council has granted planning permission for more than 3,500 dwellings over the past two years, the majority of which have not yet been built. Some have section 106 agreements pending that are expected to be signed before CIL is introduced. With that supply of consented sites, it may be some time before significant new housing permissions are granted. CIL liability only arises on the commencement of development, it could be even longer before much income comes forward. But when it does commencement of every 100 newly consented dwellings will (remembering that social housing relief is available) raise more than £500,000.
- 4.3 Even though the immediate income forecast is not particularly optimistic, development projects that are not proposed through the Development Plan have come forward in recent times. If approved, the recently announced proposal for an IKEA store at Newcourt could raise £3.5 million on its own.

5. AFFORDABLE HOUSING

- 5.1 The Exeter Core Strategy sets a target for 35% of the total housing provision on sites of 3 or more additional dwellings to be made available as affordable housing. Members will recall however, that an Affordable Housing SPD was adopted by the Council in February 2013 which accepts the principle of providing 25% affordable housing on sites of 15 or more (rather than the Core Strategy target of 35% on 3 or more) for a temporary period. The Council's justification for this temporary relaxation came from the Core Strategy's statement that the 35% target is subject to considerations of viability and feasibility.
- 5.2 During Examination though, the CIL Examiner made it clear that CIL rates for housing should be set on the basis of the affordable housing policy target (i.e. 35%). The Town and Country Planning (Local Planning) (England) Regulations 2012 require that policies in SPD must not conflict with adopted development plan policy. At the same time though, the Examiner also indicated that she considered it feasible for many sites in Exeter to pay some CIL and provide 35% affordable housing on the basis that a reduction in land value is an inherent part of CIL.
- 5.3 Officers therefore presented further evidence to the Examiner that compared the price being paid for land with an assessment of the 'benchmark land value' that a willing land owner would require in order to make a sale. This concluded that landowners had been in receipt of supernormal returns in recent times and that there was sufficient value in development to accommodate the residential CIL charge proposed and the 35% affordable housing target without seriously threatening the supply of development land. The Examiner agreed this position.
- 5.4 The CIL Examiner has therefore found that the City Council should seek 35% affordable housing as well as charging the proposed residential CIL rate of £80 per square metre
- 5.5 If the Council accepts this position, a decision is needed on which projects to apply the 35% affordable housing requirement to. Options include:
- consents granted after the date of CIL introduction (i.e. those where an s106 agreement is outstanding);
 - projects where there has not been a resolution to grant planning permission on the date of CIL introduction;
 - planning applications submitted after the date of publication of the charging schedule; or
 - new demand (including pre application discussions) that arises after the date of publication of the charging schedule.
- 5.6 It is recommended that the 35% on sites of 3 dwellings or more requirement apply to all development projects where a resolution to grant planning permission has not yet been made. Where a resolution has been made, it should apply to all projects where a section 106 agreement has not been signed and therefore a decision notice has not been issued before the date on which CIL comes in to force.
- 5.7 This recommendation is considered reasonable because the development industry has been aware (over the course of CIL Examination) that the City Council might well have to revert to its 35% target. The CIL Examiner was also advised by representatives of several of the major house builders that are active in the city that bank lending and development finance calculations were based on the 35% target, rather than the interim 25% position of the SPD. There is also an argument that it

may be possible for land purchase contracts and options to be renegotiated, particularly in Exeter where the majority of housing sites are not suitable for alternative uses. At the same time, where development proposals are at an advanced planning stage, and assuming legal agreements can be completed quickly, there is an incentive to carry forward the interim 25% requirement so as not to undermine the significant supply of housing sites (more than 2,000 dwellings) that are approved subject to s106 agreement.

6. AFFORDABLE HOUSING SUPPLEMENTARY PLANNING DOCUMENT

- 6.1 Whilst it is clear that the requirement for 35% affordable housing should be applied irrespective of the recently adopted Affordable Housing SPD's stated interim figure of 25%, it would be more transparent to remove reference to 25% from the SPD. However, partial revocation of an SPD is not feasible. Instead it is proposed that the whole of the SPD is revoked and replaced with an amended version (draft attached at Appendix 4).
- 6.2 The SPD provides valuable guidance, particularly in relation to the mix of sizes of affordable units required, the financial contribution that is payable towards the provision of affordable housing where on site delivery is not feasible and the Council's general approach to securing affordable housing. In order to introduce a replacement version, a 6 week consultation period (following the same procedural arrangements as applied to preparation of the current SPD) will first need to be undertaken, making the earliest possible adoption date 26 November 2013. A further report would be presented to Executive at that point.
- 6.3 It is proposed that the existing SPD should remain as adopted until it can be replaced. Whilst the revised SPD is being prepared, paragraphs 3.4 – 3.6 (which specifically refer to the interim 25% affordable housing on 15 or more dwellings approach) and other references to 25% affordable housing should not be applied.

7. LEVY PAYMENT SCHEDULE

- 7.1 The default regulatory position is that CIL liabilities become payable 60 days after the commencement of development. However, there is a strong developer argument that payment of liabilities at such an early stage in the development process can have a significant impact on cash flow.
- 7.2 In response to these concerns, a payment schedule has been prepared with the intention of reflecting average anticipated residential build rates (Appendix 2). It is proposed that this is adopted and applied with the CIL Charging Schedule.
- 7.3 Of course, the downside to staged payments (over a period of up to two years) is that there will be a delay in money becoming available to spend on infrastructure. But this is probably preferable to a situation where development is unable to come forward because the costs of financing up front CIL payments are too great. Generally, local planning authorities that introduce CIL apply a payment schedule like the one at Appendix 2.

8. LEVY FUNDED INFRASTRUCTURE

- 8.1 The regulations that govern operation of the Community Infrastructure Levy require Local Planning Authorities to explicitly identify what infrastructure will be funded through CIL and, by implication, what matters they expect to deal with by section 106 agreement. However, because the regulations also limit Planning Authorities to

pooling a maximum of five contributions towards the same item of infrastructure through section 106 agreement, authorities are effectively limited to CIL as the only mechanism for securing developer funding for strategic infrastructure.

- 8.2 The 'Regulation 123 List' at Appendix 3 sets out infrastructure that is proposed to be funded through CIL. CIL funds can only be spent on infrastructure that features on the list. It is essential that a list is adopted in time for the Levy's introduction otherwise no infrastructure (including site specific) can be secured by section 106 agreement. The appended list (a version of which was approved by the CIL Examiner) can, however, be changed and the Council is at liberty to revise it at any time subject to guidance that appropriate public consultation is undertaken.
- 8.3 It is proposed that any developer contribution towards school facilities will only be secured through CIL (i.e. not through s106). A more project-specific approach has been applied to transport infrastructure, with particular projects identified for possible CIL funding and others not included on the list because they are longer term, not well advanced or their funding is uncertain – it will be possible to add projects through later iterations of the list. Because they are not included on the proposed list, other site specific infrastructure like open space, play facilities, site serving junctions or on site bus stops will need to be secured at the planning permission stage.
- 8.4 At the head of the Regulation 123 List is 'mitigation of recreational impact on European designated habitats'. The CIL Examiner's report is clear that prioritisation of CIL funds for this purpose will be necessary to satisfy the Habitats Regulations. It is therefore proposed that the necessary mitigation contribution (currently £350 per dwelling) that relates to new housing is ring-fenced for recreational impact specific expenditure at the point of receipt.
- 8.5 It will take some time for the Council to accrue significant CIL income. When it does, up to 5% of administrative costs associated with introducing and implementing CIL can be retained by the Council. A future report to Executive will consider issues surrounding governance and spending priorities for the funds that are collected.

9. LEVY TIMETABLE

- 9.1 The Exeter Community Infrastructure Levy has been in prospect for almost two years and is widely expected. There is no requirement to delay implementation. However, as noted above, the Council has resolved to grant planning permission for a large number of dwellings subject to the completion of section 106 agreements.
- 9.2 In order to conclude these various section 106 legal agreements (many of which are at an advance stage of preparation) it is recommended that the Council introduce the Levy from 1 November 2013. All developments of residential, student accommodation or out of city centre retail and exceeding 100m² net additional floor space or at least one dwelling (whichever is less) would be liable for CIL where planning permission was granted on or after that date.

10. RECOMMENDATIONS

- 10.1 It is recommended that Executive:
- a) Recommends to full Council approval of the Community Infrastructure Levy Charging Schedule at Appendix 1 for adoption and implementation from 1 November 2013;

- b) Approve the Payment Schedule at Appendix 2 for implementation in conjunction with the Charging Schedule;
- c) Approve the Regulation 123 List at Appendix 3 as a list of infrastructure that the Council intends to provide funding support for through CIL;
- d) Approve that the requirement for 35% affordable housing on sites of 3 dwellings or more applies to all relevant approvals of planning permission, except where there has been a Planning Committee resolution to grant planning permission. Where there is such a resolution, that the requirement applies if planning permission has not been granted before the date on which the Community Infrastructure Levy is implemented.
- e) Continue to apply the February 2013 Affordable Housing SPD except paragraphs 3.4 - 3.6 and in other instances where 25% affordable housing and a threshold of 15 dwellings are mentioned.
- f) Approve the revised Affordable Housing Supplementary Planning Document at Appendix 4 for public consultation with the intention of replacing the current version.

RICHARD SHORT
ASSISTANT DIRECTOR CITY DEVELOPMENT

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



Exeter City Council

Community Infrastructure Levy Charging Schedule

Approved on 17 September 2013

Levy Rates

The rates below will generally be levied against the gross internal floor area of all new dwellings (irrespective of size) and all other new development exceeding 100 square metres. There are exemptions for buildings into which people do not normally go and buildings used by charities. Relief is also available for social housing.

Development Use	Levy (per sq m)
Residential (excluding Use Class C2)	£80
Student housing whose occupation is limited by planning permission or planning obligation	£40
Retail (includes Use Classes A1–A5) outside city centre	£125
All other development	£Zero

Charging Zones

Charging Zones are set out in the map below. The Exeter Local Plan First Review City Centre Inset Map provides a more detailed version and is available from www.exeter.gov.uk/planning or the Civic Centre, Paris Street Exeter, EX11JN.

How the Chargeable Amount will be calculated

Where applicable the Council will issue a Liability Notice that states the chargeable amount as soon as possible after the grant of planning permission. The Council will calculate the amount of CIL chargeable to a qualifying development utilising the formulae set out in Parts 5 and 6 of the CIL Regulations. In summary the amount of CIL chargeable will be calculated as follows:

$$\frac{\text{CIL Rate} \times \text{Chargeable Floor Area} \times \text{BCIS Tender Price Index (P)}}{\text{BCIS Tender Price Index (S)}}$$

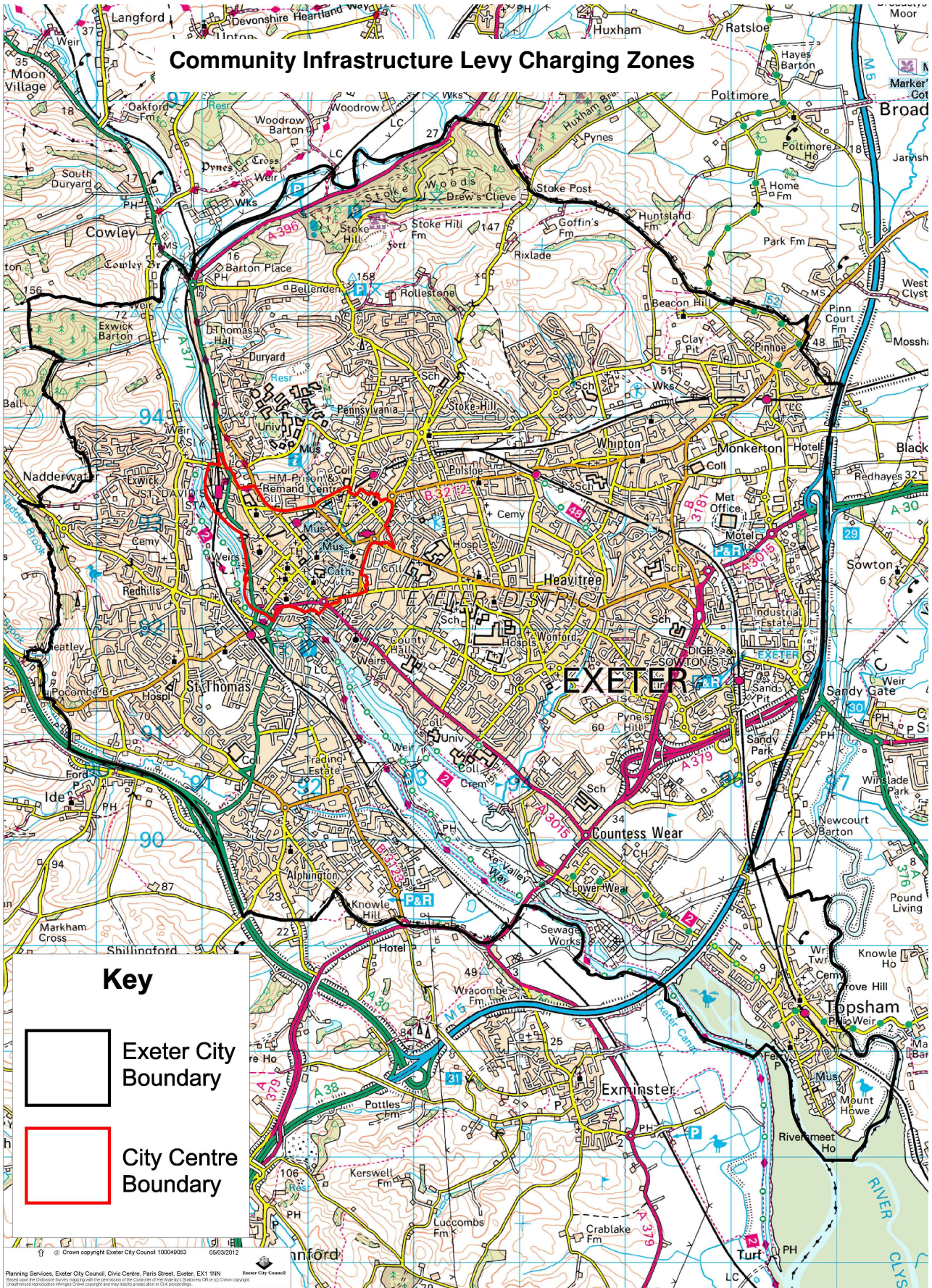
P = The BCIS Tender Price Index published on 1st November of the year preceding the grant of planning permission

S = The BCIS Tender Price Index published on 1st November of the year preceding Charging Schedule adoption

The Chargeable Floor Area makes allowance for previous development on the site. The net chargeable floor area amounts to the gross internal area of the chargeable development less the gross internal area of any existing buildings that qualify for exemption on the site.

This summary does not take account of every aspect of the CIL Regulations, which are available to view at the Council's website (www.exeter.gov.uk/planning) or at the Civic Centre, Monday to Friday: 08:30 – 17:00.

Community Infrastructure Levy Charging Zones





Exeter City Council

Community Infrastructure Levy
Charging Schedule

Exeter City Council
Civic Centre
Paris Street
Exeter
EX1 1NN
Tel: 01392 265223
Fax: 01392 265431
www.exeter.gov.uk/planning

September 2013



Exeter City Council

September 2013

Exeter City Council has introduced a CIL Instalment Policy as follows. This applies in all cases where the total CIL liability is greater than £50,000.

Instalment no.	Amount due	Time due
1	£50,000	60 days after the date on which the development commences
2	£150,000 , or outstanding liability if less	One year after the date on which the development commences
3	£200,000 , or outstanding liability if less	18 months after the date on which the development commences
4	Outstanding liability	Two years after the date on which the development commences

Failure to comply with the instalment policy at any stage will result in the total unpaid balance becoming payable immediately.

CIL liabilities of less than £50,000 will be payable in full no later than 60 days after the development commencement date.



Exeter City Council

Community Infrastructure Levy Regulation 123 List

September 2013

The table below comprises Exeter City Council's Regulation 123 list. It consists of the infrastructure that the Council intends to apply CIL monies to.

Infrastructure considered likely to benefit from the application of CIL funding:

- Mitigation of recreational impact on European designated habitats
- Off site broadband infrastructure
- Sporting facilities excluding multi use games areas
- New City Centre Leisure Centre
- Public realm enhancements including signage and CCTV
- Community buildings
- Cultural facilities
- Strategic flood defences
- School facilities
- New highway link from Tithebarn Lane to Cumberland Way
- New railway station at Marsh Barton
- New railway station at Newcourt
- New park and ride facilities
- Strategic cycle link between Newcourt strategic allocation and City Centre
- Strategic cycle link between Monkerton strategic allocation and City Centre
- Bus priority on the key routes and City Centre bus infrastructure
- Bus real-time passenger information facilities not provided in direct relation to new development and smartcard technologies
- Improvements to junction capacity at Moor Lane roundabout
- Library facilities

Affordable Housing

Draft Supplementary Planning Document

September 2013

Exeter Local Development Framework



Exeter City Council

www.exeter.gov.uk

1.0 INTRODUCTION

Purpose of the Supplementary Planning Document

- 1.1 It is important that everyone living in Exeter has the opportunity of a decent and affordable home. One of the nine themes of the Sustainable Community Strategy¹ is 'a *City with homes for everyone*', reflecting the Council's commitment to helping local people who cannot afford to buy or rent a home on the open market in Exeter.
- 1.2 Where there is an assessed need for affordable housing, the Government allows local authorities to deliver affordable homes by requiring developers to provide them within new housing schemes. Policy CP7 of the *Core Strategy*² sets out the Council's approach towards achieving this.
- 1.3 This SPD provides more detailed guidance on how Policy CP7 will be implemented, in order to deliver affordable homes and to help promote mixed and sustainable communities. The SPD forms part of the Exeter Local Development Framework and is a material consideration in the determination of planning applications. Its contents will need to be taken into consideration from the earliest stages of the development process, including in the purchase of sites and the negotiation and preparation of residential schemes.
- 1.4 Applicants for planning permission are expected to consider the overall cost of development, including affordable housing provision, prior to negotiating the purchase of land or an option. The Council wishes to avoid situations where developers purchase land without taking the requirement to provide affordable housing into account. Developers should not expect that the requirement will be waived where this has not been accounted for in the land purchase price.

The Policy Context

- 1.5 Government policy on planning for affordable housing is set out in paragraphs 47 and 50 of the *National Planning Policy Framework (NPPF)*³. Annex 2 of the *NPPF* defines affordable housing as comprising social rented, affordable rented and intermediate housing (see Appendix 1 of this SPD for more detail). For the purposes of planning policy, the *Core Strategy* and this SPD use the *NPPF*'s definition of affordable housing.
- 1.6 Policy CP7 of the *Core Strategy* reflects the provisions of the *NPPF* at a local level and is set out below:

Policy CP7: On sites capable of providing 3 or more additional dwellings (irrespective of the number of dwellings proposed) 35% of the total housing provision should be made available as affordable housing for households whose housing needs are not met by the market. At least 70% of the affordable housing should be provided as social rented housing. The overall percentage of affordable housing and the tenure split will be subject to considerations of viability and feasibility. Where it is not possible for viability reasons to provide the full requirement of social rented housing, affordable rent provision would be considered, let as far as possible at social rented levels. The remaining balance of the affordable housing should be delivered as intermediate affordable housing.

¹ *Exeter Vision*, Exeter Vision Partnership. www.exeter.gov.uk/visionstrategy

² *Core Strategy (adopted February 2012)*, Exeter City Council (2012). www.exeter.gov.uk/corestrategy

³ *National Planning Policy Framework (2012)*, Department for Communities and Local Government. <http://www.communities.gov.uk/publications/planningandbuilding/nppf>

2.0 AFFORDABLE HOUSING NEED IN EXETER

Strategic Housing Market Assessment

- 2.1 In 2007, Exeter City Council and neighbouring authorities⁴ commissioned a *Strategic Housing Market Assessment (SHMA)*⁵ to assess the need for both market and affordable housing across the Exeter and Torbay Strategic Housing Market Area. An update to the *SHMA* was produced in 2010, specifically for Exeter (*2010 SHMA*)⁶.
- 2.2 To meet housing needs in Exeter between 2010 and 2015, the *2010 SHMA* identifies a requirement for 5,294 additional dwellings to be provided, of which 3,165 dwellings (nearly 60%) should be affordable. This demonstrates a significant need for affordable housing in the City. Of the 3,165 affordable dwellings, the *2010 SHMA* concludes that around 70% need to be provided as social rented housing.

Housing Register

- 2.3 The Council's Housing Register provides more detail about the level of affordable housing need experienced by households in Exeter. The Housing Register currently shows a high overall requirement for small affordable dwellings. However, the Register also shows that larger households tend to have a more acute degree of affordable housing need.

⁴ Devon County Council, East Devon District Council, Mid Devon District Council, Teignbridge District Council, Torbay Council and Dartmoor National Park Authority.

⁵ *Exeter & Torbay Strategic Housing Market Assessment (2007)*, ORS.

⁶ *Exeter Strategic Housing Market Assessment (2010)*, ORS.

3.0 AFFORDABLE HOUSING PLANNING POLICY

3.1 The following section explains in more detail how Policy CP7 will be applied. Appendix 2 summarises the process as an ordered series of questions that the planning officer and applicant will need to address when considering/preparing a proposed scheme of development.

Applying the policy

3.2 The requirement to provide affordable housing will apply to all proposals for residential development, including:

- new build, conversions and mixed use schemes;
- phased developments where the threshold of 3 dwellings will be exceeded by cumulative totals;
- developments by Registered Providers (RPs);
- schemes providing housing for people receiving care or support, including supported housing developments;
- schemes involving non-self contained dwellings and the sharing of amenities, including houses in multiple occupation.

3.3 Proposals for, and limited to, purpose built student accommodation will not be subject to affordable housing requirements.

Amount of affordable housing

3.4 In some cases, the percentage of affordable housing required will not equate to a whole number of dwellings⁷. In order to make up the balance, the Council will require a financial contribution to provide 'part' of an affordable home, based on the formula provided in Appendix 3. A worked example is provided in the same Appendix ('Worked Example 1').

3.5 Where the Council considers that the number of new dwellings proposed is inappropriate for the site area or the building to be converted, a revised scheme will be negotiated at the more appropriate density. This may alter the affordable housing requirement under Policy CP7.

Tenure Mix

3.6 As set out in paragraph 2.2 above, the *2010 SHMA* shows that around 70% of households in need of affordable homes can only afford social rented housing provided by RPs or the Council. On each qualifying site the Council will therefore expect at least 70% of the the 35 % affordable housing requirement to be social rented housing. The remaining balance of the affordable housing should be provided as intermediate affordable housing.

3.7 If the applicant can demonstrate that this balance is not viable, the Council will require 35% affordable housing with an element of affordable rent as part of the mix. The affordable rented units should be let as near as possible to social rent levels.

Size Mix

3.8 The Council will require the following mix of new affordable housing on each development site, rounded to the nearest whole number of units. The mix is based on the findings of the *2010 SHMA* and the Housing Register:

⁷ For example, 35% of a 90 dwelling scheme equates to 31.5 affordable homes. In addition to 31 affordable homes, the Council would seek a financial contribution equivalent to half (0.5) of an affordable home.

1 bed	:	15%
2 bed	:	59%
3 bed	:	14%
4 bed	:	7%
5 bed	:	5%

3.9 'Worked Example 1' in Appendix 3 sets out how the mix would apply to a scheme with an affordable housing requirement of 6 dwellings.

3.10 To help meet the need for family affordable housing identified on the Housing Register, on any one development site, the Council will require at least half of the 2 bed affordable homes to be in the form of houses with gardens.

Supported and Wheelchair Accessible Housing

3.11 The supporting text to Policy CP7 states that the affordable housing mix should include specialist housing, where there is an evidenced need. Where an evidenced need exists, the Council may therefore seek an element of affordable specialist / supported housing in its negotiations. For example, the Council's Older Person's Housing Strategy identifies a need for affordable supported housing for older people in the City.

3.12 The Council's Housing Register demonstrates that there is also a clear need in the City for affordable housing that is wheelchair accessible. To help meet this need, on qualifying sites, 10% of the affordable housing should be wheelchair accessible.

3.13 The exact type and size of wheelchair accessible housing will be negotiated in more detail during pre-application discussions. Wheelchair accessible housing should be built in accordance with the Council's Wheelchair Accessible Housing Design Standards 2011⁸.

Distribution and Design

3.14 Affordable housing should conform to the design standards normally required by funding bodies (e.g. the Homes and Communities Agency (HCA)) in order to qualify for grant. These standards may be higher than those applicable to market housing, reflecting the needs of the occupants and the implications of the difference in tenure.

3.15 Innovative design of affordable homes and their environment will be encouraged, within the context of overall planning policies. To promote inclusive communities, it should not be possible to ascertain the difference between market and affordable housing in any one scheme - the affordable housing must integrate seamlessly into the layout of the development. To help create more varied patterns of house types and ownership in the City, the affordable housing should be distributed amongst the market housing in clusters of no more than 10 units.

Timing of provision

3.16 The timing of the delivery of affordable housing is a key issue in securing mixed and balanced communities. This is particularly important on larger schemes, where poor timing can result in isolated pockets of development and cause problems with infrastructure delivery, leading in the short term to a poor living environment for new residents. On all development schemes, the affordable housing must be completed proportionately with the market housing.

⁸ Exeter Wheelchair Accessible Housing Design Standards 2011, (2011), Exeter City Council.
www.exeter.gov.uk/index.aspx?articleid=12340

Commuted provision

- 3.17 Where affordable housing is required under Policy CP7, the Council will expect it to be provided on the development site.
- 3.18 Commuted provision will only be agreed in exceptional circumstances and at the Council's discretion, in the following order of priority:

Off-site provision

- 3.19 The first priority will be to seek provision on an alternative site in Exeter. The 35% affordable housing target will be applied across both sites to ensure a pro-rata contribution. However, it is unlikely that the Council will accept a proposal that results in an inappropriate mix of tenures or excessive dominance of affordable housing within a particular location.
- 3.20 The Council must also be satisfied that there is a suitable and available alternative site to accommodate the affordable housing. The site should be identified by the applicant during pre-application discussions and either:
- already have planning permission for housing, in which case the Council will need to be satisfied that the site can, in principle, accommodate the off-site provision; or
 - be acceptable to the Council for housing in principle. In this case, the site will need to be the subject of a concurrent planning application. The two planning permissions will be tied together by means of a Section 106 Agreement, to ensure delivery of the affordable housing.

Off-site purchase

- 3.21 If the applicant is unable to provide the affordable housing off-site, as a second priority they may buy dwellings of an equivalent number and size on the open market for use as affordable housing. The dwellings should be in a location agreed by the Council at the pre-application stage and have the potential to meet all required standards. The applicant will be required to sell each dwelling to the Council or one of the Council preferred RPs for £1.

Financial contribution

- 3.22 Finally, the Council may agree to the provision of affordable housing by way of a financial contribution, calculated using the formula set out in Appendix 3 of this SPD. The 35% financial contribution will be calculated on the basis that the proposed dwellings on the application site represent 65% of the total number of dwellings to be provided. A worked example of the calculation is provided in Appendix 3 ('Worked Example 2'). The contribution will be spent on the provision of affordable housing in the City.

Section 106 Agreement

- 3.23 On qualifying sites, the Council will require a draft Section 106 Agreement to secure the affordable housing to be included as part of the planning application. The application will be refused if the Section 106 Agreement is not signed within a certain period of time (usually within 3 to 6 months of the application being considered by Planning Committee).
- 3.24 The Planning Solicitor (see Appendix 4 for contact details) will be pleased to supply a draft agreement to the applicant once the relevant details have been provisionally agreed. A specimen agreement and sample clauses are displayed on the Council website at www.exeter.gov.uk/planningobligations, but note that these are liable to change from time to time. Further details of the matters likely to be covered by the Agreement are also contained in Appendix 5.

4.0 MANAGEMENT AND OCCUPANCY

Management

- 4.1 The Council's preference is for affordable housing to be transferred to either the Council's Housing Department or a RP, once it has been built. It will then be managed as affordable housing in accordance with HCA guidelines. A list of the Council's preferred RPs is provided at Appendix 4.
- 4.2 In certain circumstances, developers may choose to retain ownership of the affordable housing and manage it directly. In such cases, the Council will ensure that appropriate management arrangements are in place.

Control of occupancy

- 4.3 The Council will ensure that occupancy of affordable housing provided under Policy CP7 is restricted to eligible households in housing need. The eligibility of any household will be based firstly on its ability to afford suitable market housing and secondly on its level of housing need relative to other households. To assess this and to fulfil its statutory obligations, the Council jointly operates the Devon Home Choice (DHC) choice-based letting system, which not only allows for the registration of need and waiting time, but also gives applicants greater opportunity to choose which home they live in when they reach the front of the waiting list.
- 4.4 All RPs in Exeter contribute to the costs of running Devon Home Choice. If an applicant wishes to let or sell affordable homes without involving an RP, the Council will ensure that they are available to successive occupiers nominated by the Council through DHC. The applicant will be required to bear a fair share of the running costs of the DHC scheme.

Affordability

- 4.5 Before granting planning permission, the Council will need to be satisfied that rental levels, service charges and shared ownership costs will be affordable both initially and in the long term to occupants.
- 4.6 For social rented housing, rents should be in line with the HCA calculation for 'target rents', as set out in the HCA's latest Capital Funding Guide⁹. Increases should be limited annually according to the HCA's requirements on annual rent and service charge increases.
- 4.7 Affordable rented housing is not subject to the national rent regime, but requires a rent no greater than 80% of the local market rent. This figure will be net of service charges and based on the Royal Institute of Chartered Surveyors' approved valuation methods. A guidance note can be found on the Tenant Service Authority website¹⁰.
- 4.8 Outgoings on intermediate low cost home ownership should in no case exceed the average market rent for comparable properties. The mortgage element of the outgoings should be assessed on the basis that there is a 30 year repayment mortgage at standard variable rates (i.e. ignoring any introductory discounts). Any rents payable on low cost home ownership homes will be dependent upon the viability of an individual site, but should not

⁹ E.g. *Affordable Housing capital funding guide 2012-13 (2012)*, Homes and Communities Agency.

http://www.homesandcommunities.co.uk/cfg?page_id=&page=1

¹⁰ *Rents, rent differentials and service charges for private registered providers 2012-13 (2011)*, Tenant Services Authority. <http://www.tenantservicesauthority.org/server/show/ConWebDoc.21665>. The Tenant Services Authority is no longer functional, but the guidance note is still relevant.

exceed 2.75% of the retained equity. This is to ensure that as much income as possible is available to occupants to pay off mortgage costs.

- 4.9 For intermediate rented housing, rents should be set at 80% of Local Housing Allowance Rates. In every case, rents must fall within any relevant ceiling set within the Housing Benefit system (e.g. Local Reference Rents or Local Housing Allowance).
- 4.10 Schemes should be designed to ensure that service charges applicable to any affordable housing are kept as low as reasonably possible. Failure to take affordability issues into account within the scheme design could be grounds for refusing planning permission. In any event, service charges should not exceed the maximum amount an eligible household would be entitled to claim under the housing benefit regulations in force at the time.

Perpetuity

- 4.11 In accordance with the *NPPF* definition of affordable housing, the Council will ensure that affordable homes delivered under Policy CP7 either remain available at affordable rents/prices in perpetuity, or their value is recycled to provide other forms of affordable housing to meet an identified local need.
- 4.12 All money received as a result of occupants purchasing either their property (e.g. through the 'right to acquire') or a further equity share (e.g. through 'staircasing') will, subject to any statutory restrictions, be used to provide affordable housing within the City. If dwellings that have benefitted from City Council housing grant are purchased, the grant should be paid back to the Council's Housing Department. Recovered HCA grant must either be paid back to the Agency or recycled to provide affordable housing in the same market area, in accordance with the HCA's guidance on recycled capital grant funding¹¹.

¹¹ *Affordable Housing Capital Funding Guide 2012-13 (2012)*, Homes and Communities Agency.
http://www.homesandcommunities.co.uk/cfg?page_id=&page=1

APPENDIX 1

(Para refs. 1.5, 3.9-3.10, 4.6-4.9)

WHAT IS AFFORDABLE HOUSING?

The following text is extracted from Annex 2 of the *NPPF*.

Affordable housing: *Social rented, affordable rented and intermediate housing, provided to eligible households whose needs are not met by the market. Eligibility is determined with regard to local incomes and local house prices. Affordable housing should include provisions to remain at an affordable price for future eligible households or for the subsidy to be recycled for alternative affordable housing provision*

Social rented housing is owned by local authorities and private registered providers (as defined in Section 80 of the Housing and Regeneration Act 2008), for which guideline target rents are determined through the national rent regime. It may also be owned by other persons and provided under equivalent rental arrangements to the above, as agreed with the local authority or with the Homes and Communities Agency.

Affordable rented housing is let by local authorities or private registered providers of social housing to households who are not eligible for social rented housing. Affordable rent is subject to rent controls that require a rent of no more than 80% of the local market rent (including service charges, where applicable).

Intermediate housing is homes for sale and rent provided at a cost above social rent, but below market levels subject to the criteria in the Affordable Housing definition above. These can include shared equity (shared ownership and equity loans), other low cost homes for sale and intermediate rent, but not affordable rented housing.

Homes that do not meet the above definition of affordable housing, such as 'low cost market housing', may not be considered as affordable housing for planning purposes.

APPENDIX 2

Affordable Housing Policy made simple: 10 Questions to ask.

1. Is the policy applicable to this proposal? (paras 3,2-3.3)
2. How much affordable housing is required? (para 1.6)
 - a. What happens when the affordable housing requirement does not equate to a whole unit? (para 3.4, Appendix 3)
3. What is the required tenure? (para 3.6-3.7)
4. What mix of affordable housing is required? (paras 3.8-3.10)
5. Is there a requirement for any specialist affordable housing (paras 3.11-3.13)
6. What are the design requirements for affordable housing? (paras 3.14 – 3.15)
7. When is the affordable housing required to be developed? (para 3.16)
8. Is there an exceptional reason to justify commuted provision of the affordable housing? (para. 3.18). If the answer to this question is yes then:
 - a. Firstly, can the affordable housing be provided on an alternative site? (paras 3.19– 3.20);
 - b. Secondly, can the affordable housing be provided via off-site purchase? (para 3.21)
 - c. Finally, can the affordable housing be provided via a financial contribution? (para 3.22, Appendix 3)
9. Who will manage the affordable housing? (para 4.1–4.4, Appendix 5)
10. Will the affordable homes 'be affordable'? (paras 4.5-4.10)
 - a. Will services charges be affordable? (para 4.10)

In addition to the above questions which the Planning Officer will need to clarify, the developer may want to know the answer to the following questions.

11. What is affordable housing? (Appendix 1)
12. What is the Council's policy basis for requiring affordable housing? (para 1.5-1.6)
13. What is a wheelchair accessible unit? (para 3.13 and ref. 8)
14. What is the legal mechanism for securing the affordable housing? (para 3.23-3.24, Appendix 5)
15. Who will occupy the affordable housing? (para 4.3 – 4.4)
16. What rent can I charge? (paras 4.5-4.10)
17. Do I need to provide the affordable housing in perpetuity? (paras 4.11-4.12)

APPENDIX 3

(Para refs 3.7, 3.11-3.12, 3.25)

CALCULATING FINANCIAL CONTRIBUTIONS

Financial contributions sought by the Council in lieu of the provision of affordable housing will be calculated based on a per dwelling sum of £121,509.67. The table below shows how the sum has been calculated.

	A	B	C	D	E	F	G
	Average Size m2	Typical Build Costs m2	Average Plot Value	Sub Total ((AxB)+C)	Mix (para 3.10)	Sub Total (DxE)	Financial Contribution per dwelling (Sum of F)
1 Bed Flat	55	£1,247	£22,217	£90,802	15%	£13,620.30	£121,509.67
2 Bed Flat	72	£1,247	£22,217	£112,001	59%	£70,127.40	
2 Bed House	83	£1,247	£22,217	£125,718			
3 Bed House	91	£1,247	£22,217	£135,694	14%	£18,997.16	
4 Bed House	103	£1,247	£22,217	£150,658	7%	£10,546.06	
5 Bed House	114	£1,247	£22,217	£164,375	5%	£8,218.75	

The Breakdown

Average Size – These are average sizes (+10% for communal space for flats) taken from the *Residential Design Guide SPD*, page 60.

Typical Build Costs – Based on the analysis of a number of schemes taken from BCIS online and co-ordinated by a local Chartered Quantity Surveyors practice. The schemes are typical estate type housing schemes in similar city locations to Exeter. The figure of £1,247 per m2 is an average of the schemes investigated and includes building works, external works, preliminaries and design fees.

Plot Value – An average per acre figure derived from recent land sales in and around Exeter during 2011-2012, as investigated by an external development consultant. This per acre figures is then divided by an average density figure of 26.5 dwellings per acre, based on the mid point of per acre densities listed in the Strategic Housing Land Availability Assessment Methodology (August 2011)¹². – 12 to 41 = mid point of 26.5. Detail in table below.

¹² ETHMA Authorities, *Methodology for SHLAAs: Exeter Housing Market Area (August 2011)*.

Build costs are index linked to BCIS online, which is updated quarterly. The Council will accordingly update the financial contribution set out above on a quarterly basis. Applicants are advised to ascertain the current sum from the Council during pre-application discussions.

WORKED EXAMPLES

1. A developer proposes to build 18 dwellings, resulting in an affordable housing requirement of 6.3 dwellings (18 x 35%).

The Council requires provision of 6 affordable homes, plus a financial contribution to provide 0.3 of a dwelling.

The size mix of the 6 affordable homes would be calculated as follows:

- 6 x 15% = 0.90 1 bed dwelling, rounded up to 1 dwelling
- 6 x 59% = 3.54 2 bed dwellings, rounded up to 4 dwellings
- 6 x 14% = 0.84 3 bed dwellings, rounded up to 1 dwelling
- 6 x 7% = 0.42 4 bed dwellings, rounded down to 0 dwellings
- 6 x 5% = 0.30 5 dwellings, rounded down to 0 dwellings

The financial contribution would be calculated as follows: 0.3 x £121,509.67 = £36,452.90

2. A developer proposes to build 40 dwellings on an application site. There are exceptional reasons why the affordable housing requirement cannot be provided on site. Off-site provision and off-site purchase are not possible. Therefore, a financial contribution towards the provision of affordable housing elsewhere in the City is required.

The 35% financial contribution is calculated on the basis that 40 dwellings represent 65% of the total number of dwellings to be built.

- 40 dwellings = 65% of the total number of dwellings required
- (40 dwellings / 65) x 35 = 21.5 dwellings
- 21.5 x £121,509.67 = £2,612,457.90

A financial contribution of £2,612,457.90 towards affordable housing provision is therefore required.

APPENDIX 4

(Para ref 3.27)

CONTACT DETAILS

City Development

TEL: 01392 265223

FAX: 01392 265431

citydevelopment@exeter.gov.uk

Planning Solicitor

TEL: 01392 265236

FAX: 01392 265431

matthew.page@exeter.gov.uk

Housing Development Team

TEL: 01392 265685

FAX: 01392 265859

Website: www.exeter.gov.uk

Address:

Exeter City Council
Civic Centre
Paris Street
Exeter
EX1 1NN

APPENDIX 5

(Para ref 3.27)

SECTION 106 AGREEMENT – MODEL HEADS OF TERMS

- A The Section 106 Agreement will contain some or all of these terms, subject to site by site negotiations:
- define the amount of affordable housing or, in the case of full permission, specify specific units and detail the breakdown between different tenures and amount of wheelchair accessible housing, all in accordance with Policy CP7;
 - require the affordable housing to comprise a mixture of dwelling types in accordance with the latest SHMA and housing register data, to be integrated with and indistinguishable from market housing;
 - set a timescale for the affordable housing to be provided, usually that it shall be available for occupation by the time a percentage of the market housing is available;
 - include a mechanism for selecting an RP, unless another approach has been agreed;
 - limit the rent and outgoings which can be charged to occupants and the price at which an initial share can be sold under a shared ownership arrangement;
 - include a mechanism for limiting and selecting the occupants of the affordable housing, which will require supplementary agreements to entered into as follows:
 - where the Council provides grant aid, the RP or other provider will be required to enter into a nomination agreement;
 - in the case of a provider that is not an RP, or in other special cases (e.g. an unusually large grant payment), the Council will require additional security for repayment of grant on disposal of the land;
 - where the provider is not an RP, the S106 Agreement will include provisions governing letting and management arrangements.
 - provide for the housing to remain affordable in perpetuity, subject to:
 - any statutory right to acquire, buy or ‘staircase’;
 - a mortgagee in possession clause, where the affordable housing is transferred to an RP.
- B The applicant will be required to pay the Council’s reasonable legal costs in connection with the Agreement. The Council’s costs in connection with any related Agreement (e.g. a nomination agreement) shall be paid by the applicant, RP or other provider, depending upon which of those parties is involved in negotiating the terms of that Agreement.
- C Where the Council has refused an application which, if allowed, would have been subject to a requirement for affordable housing, it will endeavour to negotiate a Section 106 Agreement on a ‘without prejudice’ basis, to take effect in the event that an appeal is allowed.
- D In the case of an outline application, the Section 106 Agreement will require the applicant to agree with the Assistant Director of Housing and Contracts (in practice, delegated to the Housing Development Manager), prior to the commencement of development, the physical locations, type, layout and tenure of the affordable dwellings.
- E The agreement will require the applicant to notify the Assistant Director of Housing and Contracts of the anticipated date(s) when the affordable housing will be available for occupation, a specified period(s) in advance.

- F Section 106 Agreements will include mechanisms to record when key stages are reached in the development and requirements are triggered.
- G The Council will use its enforcement powers if a Section 106 Agreement is not complied with. In addition, the fact that a development is taking place despite non-compliance with a Section 106 Agreement will be included as a standard response to searches from prospective purchasers.

DRAFT

APPENDIX 6

(Para ref 4.1)

LIST OF PREFERRED REGISTERED PROVIDERS (RPs)

- Affinity Sutton
- Cornerstone
- Magna
- Aster
- Devon and Cornwall Housing
- Home Group
- YMCA
- Sovereign
- Guinness
- Sanctuary
- Spectrum

The above RPs and Exeter City Council form the Exeter Homes Housing Partnership. The partnership works together to maximise the delivery of good quality affordable homes, deliver innovative development opportunities that meet local housing priorities and create sustainable communities in the City of Exeter.

GLOSSARY

Affordability

A measure of whether housing may be afforded by certain groups of households.

Affordable Rent

This refers to rented housing let by RPs of social housing to households who are eligible for social rented housing. Affordable Rent is not subject to the national rent regime, but is subject to other rent controls that require rent of no more than 80 per cent of the local market rent.

Affordable housing

Affordable housing includes social rented, affordable rented and intermediate housing, provided to specified eligible households whose needs are not met by the market.

Homes and Communities Agency (HCA)

The [non-departmental public body](#) that funds new [affordable housing](#) in [England](#).

Intermediate affordable housing

Housing at prices and rents above those of social rent, but below market prices or rents. It can include shared equity products (e.g. New Build HomeBuy), other low cost homes and intermediate rent, but does not include affordable rented housing.

Local Development Framework

The name for the portfolio of Local Development Documents (LDDs) that provide the planning policy framework for a local authority area. It comprises of the Core Strategy, Development Plan Documents (DPDs), Supplementary Planning Documents (SPDs), a Statement of Community Involvement (SCI), the Local Development Scheme (LDS) and Monitoring Reports.

Market housing

Private housing for rent or for sale, where the price is set in the open market.

National Planning Policy Framework (NPPF)

Sets out the Government's planning policies for England and how these are expected to be applied.

Registered Provider (RP)

An independent, registered, non-profit making organisation to build, improve and manage affordable housing for sale or rent. An RP must be registered with and regulated by the current government regulating authority.

Section 106 Agreement

Planning obligations are agreements entered into between the Council and developers, usually in conjunction with the granting of planning permission. Planning obligations apply to land, binding it and whoever owns it. They are made using powers under section 106 of the Town and Country Planning Act 1990, which is why they are also called "section 106 agreements".

Social Rented Housing

Rented housing owned and managed by local authorities and RPs, for which guideline target rents are determined through the national rent regime. It may also include rented housing owned or managed by other persons and provided under the same rental arrangements to the above, as agreed with the local authority or with the Homes and Communities Agency as a condition of grant.

Strategic Housing Land Availability Assessment (SHLAA)

An assessment of sites across a local authority area, to determine whether or not they have the potential to be developed for housing. Production of a SHLAA by the local authority is a requirement of the NPPF.

Strategic Housing Market Assessment (SHMA)

A cross-boundary study of the operation of a Housing Market Area. Planning Policy Guidance Note 3: Housing, which has been superseded by the NPPF, required local authorities to prepare SHMA as part of the evidence base to inform LDFs and the development of planning and housing policy.

Supplementary Planning Documents (SPD)

These provide amplification in respect of policies in the LDF Core Strategy and other DPDs. They are not subject to independent examination.

Sustainable Communities Strategy

A document prepared by a Local Strategic Partnership - a collection of organisations and representatives working voluntarily to represent key interests in an area's economy, society and environment. The Strategy should set out a sustainable 'vision' for an area and highlight measures to achieve it.

DRAFT

EXETER CITY COUNCIL

EXECUTIVE
17 SEPTEMBER 2013

PROPOSED RESPONSE TO TECHNICAL CONSULTATION ON 'NEW HOMES BONUS AND THE LOCAL GROWTH FUND'

1.0 PURPOSE OF REPORT

- 1.1 To consider a proposed City Council response to the current Government consultation seeking views on suggested mechanisms for the pooling of £400million of New Homes Bonus through local enterprise partnerships to support strategic housing and other local economic growth priorities.

2.0 BACKGROUND

- 2.1 New Homes Bonus (NHB) was introduced in 2011 to provide an incentive for local authorities and communities to welcome growth. It is paid on the basis of annual (to 1 October) increases in total homes on the Valuation List, by band, at the national average Council Tax rate (Band D £1,439), adjusted for changes in long term empty homes. In two tier areas, 80% is paid to the District Council and 20% to the County Council. It is paid for the following six years and therefore builds up cumulatively to 2016/17. It is an un-ringfenced award, Councils can spend it on what they like. It is largely funded by reductions in local authority Revenue Grant.
- 2.2 Exeter has been very successful in earning NHB largely due to high student housing completions and a low and relatively stable rate of long term empties. Exeter secured £2.205m of NHB in 2013/14. If it continues to secure NHB through housing completions in accordance with the adopted Core Strategy (600 homes per annum), then it should secure about £3.5m in 2015/16 and £4.15m in 2016/17 and 2017/18.
- 2.3 About £200-£250million of NHB is earned by English local authorities every year. By 2015/16 the total value of awards is expected to be about £1,140 million.

3.0 GOVERNMENT PROPOSAL

- 3.1 The Chancellor announced, on 26 June, the creation of a £2billion Local Growth Fund from 2015/16 that would contain £400million of NHB funding, pooled locally at the Local Enterprise Partnership level to support economic growth priorities, including housing. The proposal to fund LEPs gives effect to Lord Heseltine's 2012 report 'No Stone Unturned in Pursuit of Growth'.
- 3.2 This proposal will top slice about 35.1% of NHB funding from local authorities in 2015/16 reducing to about 30% in future years.
- 3.3 Government is consulting on two alternative mechanisms for pooling contributions. The first involves all local authorities contributing an equal percentage. The second proposes that in two tier areas Counties would surrender all of their 20% allocation and Districts the remainder.
- 3.4 In Exeter's case, the first mechanism would involve Exeter pooling £1.225m of its projected £3.5m for 2015/16 and Devon £245,000 of its projected £700,000. The second mechanism would involve Exeter contribution £0.775m and Devon its entire £700,000. The cost to Exeter in 2015/16 is therefore likely to be a loss of £0.775m or

£1,225m of NHB, however, it may gain from how the LEP allocates use of the pooled funds.

- 3.5 The Heart of the South West LEP, covering Devon, Plymouth, Torbay and Somerset is one of 39 LEPs. Its constituent authorities earned about 4.3% of NHB in 2013/14. If this proportion continues at 2015/16 then the South West LEP might secure about £17.2m of the £400m.
- 3.6 Government is aware that some local authorities have entered into commitments based on anticipated NHB receipts in future years. It seeks through the consultation to understand the extent and impact of this issue and to identify ways to mitigate any risk to local investments.
- 3.7 Devon authorities met with the Government NHB policy team on 30 August to discuss the implications of top slicing NHB.

4.0 DISCUSSION

- 4.1 NHB is intended to incentivise local authorities and communities to accept growth. In the context of ongoing reductions in Revenue Grant funding it has become a significant element of district council funding. The top slice will severely blunt the incentive since 35% of NHB could now be spent anywhere in an area from Plymouth to Wincanton that may not reflect or serve the communities accepting growth. It will take resources from local authorities that have had over two years to develop spending plans for NHB and pass it to the LEPs where there are no plans presently in place to use the funds. Local communities are likely to share concerns that part of NHB earned by development in Exeter may be spent elsewhere. It will be important to articulate those potential concerns.
- 4.2 Government proposes that where local authorities can demonstrate that they have committed contractually to use future NHB allocations on local growth priorities, that LEPs should take this into account when determining their local growth plans and their priorities for using pooled funding. This does not recognise that many authorities may have pledged funding for various purposes but this does not involve a formal contractual commitment. There is a need for any guidance to recognise softer commitments.
- 4.3 Exeter City Council's Executive has previously resolved that the majority of NHB be used for a Major Infrastructure Fund. It is intended to use this funding for a replacement swimming pool. Whilst the swimming pool is a political commitment it is not yet at a stage of a contractual commitment. The Council was expecting that about £2.5m of NHB in 2015/16 would contribute to the cost of this project and that NHB would, in total, contribute about £12.5m to the estimated cost. Top slicing of NHB will reduce the sum available in that and subsequent years 2016/17 and 2017/18. This will lead to a funding gap of about £1.4m that would have to be filled by the cost of additional borrowing.
- 4.4 NHB has been top sliced to provide capacity funding to deliver £120,000 of growth. This funding supports officers in the Exeter & Heart of Devon Growth Team. This capacity has been essential to deliver the strategic developments east of Exeter. There can be no guarantee that the LEP will wish to maintain this funding and it potentially undermines the Growth Board's own delivery plan.
- 4.5 Government could decide that it will expect the LEPs to take into account any contractual commitment at a date just before 2015/16, however, this might just encourage authorities to enter into contracts to maintain control of funding.

Government has also published initial guidance for LEPs on Growth Deals (Local Growth Funds).

- 4.6 The £400m from NHB forms part of the total Local Growth Fund allocation for 2015/16 of over £2billion. However, it forms part of only £570million that is not capital. It therefore seems likely to be mainly used on revenue projects that may be less likely to deliver infrastructure in the LEP's strategic economic plan.
- 4.7 LEPs, which comprise representatives of business and authorities in their areas, will have an increasing role in the areas they cover. However, the governance arrangements limit local direct accountability on their strategic economic plans and investment decisions. A sub-regional partnership may provide an opportunity to improve governance.

5.0 RECOMMENDATION

- 5.1 That Executive support a submission to the NHB and the Local Growth Fund consultation:
- Opposing the principle of top slicing NHB since this blunts the incentive effect for authorities and local communities;
 - Strongly favouring the second mechanism in involving allocating County NHB before District NHB;
 - Identifying the need for LEPs to recognise 'softer' non-contractual commitments by councils to their communities on the use of NHB.
- 5.2 That the City Council engages with representatives of the LEP and other appropriate bodies on future governance arrangements proposing a sub-regional partnership and the development of its strategic economic plan for submission to Government. A sub-regional partnership may offer a solution to governance issues.

KARIME HASSAN
CHIEF EXECUTIVE AND GROWTH DIRECTOR

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

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EXETER CITY COUNCIL

EXECUTIVE
17 SEPTEMBER 2013

CHANGES TO PORTFOLIO HOLDERS

1 PURPOSE OF REPORT

- 1.1 To update Members on the changes to Portfolio Holders, their titles and responsibilities, appointment of Members Champions, Members to Scrutiny Committee Economy and Resources and Licensing Committee.

2 BACKGROUND

- 2.1 As the world of local government encounters more and more challenges on a daily basis, it is important that the Council is well-positioned to respond flexibly to those challenges and to accelerate a number of initiatives that will put the Council in a strong position for the future. To help meet these challenges, the responsibilities of the council's five portfolio holders have been changed to ensure that these align more closely with the council's purposes and give due emphasis to its priorities. These changes also align portfolio holders more closely with the officer structure to improve accountability and to facilitate decision making.

3. CHANGES TO PORTFOLIO HOLDERS AND THEIR RESPONSIBILITIES

- 3.1 Two new portfolio holders have been appointed. Councillor Ollie Pearson will look after a new Enabling Services portfolio, which brings together support services and now includes procurement and estates. This will ensure that these two functions are taken forward as a core part of the council's business. Councillor Keith Owen will be responsible for Environment, Health and Wellbeing. The addition of health and wellbeing gives a higher profile to the important work the Council is doing with our partners in the health sector.
- 3.2 Housing and Customer Access portfolio will be led by Councillor Rob Hannaford. Councillor Rosie Denham continues as portfolio holder for Economy and Culture one important addition to this portfolio is the car parking function, which reflects the important role of car parking in helping to run a successful business. Councillor Rachel Sutton continues as portfolio holder for City Development with a focus on delivering good development across the city. The Leader's portfolio is focused on achieving A Stronger City, which reflects the importance of Exeter's ongoing role as a regional capital and the collaborative work that the Council will need to explore with neighbouring councils and other agencies. Responsibility for business transformation will move to the Chief Executive, overseen by the Leader this is to reflect how this is at the core of the organisation. The full details of the Portfolio Holders responsibilities are attached as Appendix 1.

4. MEMBER CHAMPIONS

- 4.1 Councillor Phil Bialyk will champion commercialisation of the council, with a focus on maximising income and commercial opportunities. Councillor Paul Bull will champion empowerment of communities, looking at how the Council can help foster civic

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responsibility and build capacity in the communities of Exeter to contribute to the wellbeing of the city. *Terms of Reference for the member Champions are attached at Appendix 2.*

5. SCRUTINY COMMITTEE ECONOMY AND RESOURCES/LICENSING COMMITTEE APPOINTMENTS

5.1 To be advised at the meeting.

6. FINANCIAL IMPLICATIONS

6.1 None

7 RECOMMENDED that Executive note the:-

7.1 changes to the Portfolio Holders, titles and responsibilities;







7.2 appointment of Member Champions;

7.3 appointments to the Scrutiny Committee Economy and Resources;

7.4 appointment of Chair and Deputy Chair of Licensing Committee; and

7.5 subsequent minor amendments to the Council's Constitution.

**COUNCILLOR PETE EDWARDS
LEADER OF THE COUNCIL**

1	Leader "A stronger city"	Strategic vision and direction of the council, business transformation, human resources, major grants, new homes bonus, community engagement and empowerment, community grants, and commercialisation of the council.	 Cllr Peter Edwards
2	Enabling Services "A well run Council" "Maintain our property assets of the city"	Contracts, procurement, estates, asset management and property records, business continuity, ICT, equalities, financial services, Civic Centre facilities, democratic and civic support, twinning, legal services, communications, emergency planning, audit	 Cllr Ollie Pearson
3	Housing and Customer Access "Provide suitable housing" "Be a good landlord" "Help me with my financial problem" "Make it easy for me to pay you"	Benefits, council tax, council housing rent payments, business rates payments, one view of debt, Customer Service Centre, housing advice and homelessness prevention, social housing allocations, private rented sector support, pre-eviction panel, supported housing services commissioning, older persons support, tenancy support. Rent and service charge setting, leaseholder services, right to buy, consultation and engagement, community development and governance, tenancy services arising from landlord obligation, supply of housing, housing needs analysis, housing enabling, PSL/Extralet procurement, empty properties, downsizing support, ensuring housing is fit for purpose, landlord support services, illegal evictions, supporting people into home ownership. Housing building maintenance, works to the physical fabric of the housing assets including gas, asbestos and fire safety, disabled adaptations, gardens, and walls.	 Cllr Rob Hannaford
4	Environment, Health and Wellbeing "Keep Place Looking Good" "Keep me / my environment safe and healthy"	Carbon management, environmental health, parks and open spaces, bereavement services, CCTV and Home Call, community patrol, cleansing, recycling, refuse, waste policy, licensing, health and safety, fleet management, safeguarding of children/adults, family intervention, community safety.	 Cllr Keith Owen
5	Economy and Culture "Provide great things for me to see and do" "Help me run a successful business"	Economic development, city centre, tourism, markets and halls, arts strategy and funding support, culture/events, RAMM, museums, leisure contract and sport, car parking, civil parking enforcement, and waterways.	 Cllr Rosie Denham
6	City Development "Deliver good development"	Planning policy, planning and building control, sustainable development, district heating, transport, engineering, flooding, design and heritage, community infrastructure levy, land charges, neighbourhood planning, register of assets of community value, infrastructure delivery	 Cllr Rachel Sutton

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MEMBERS CHAMPIONS

TERMS OF REFERENCE

- Member Champions will only be appointed in support of agreed Council policies and objectives and shall be elected members of Exeter City Council.
- Member Champions will report to the Leader of the Council.
- There will be two Member Champions – empowerment of **communities** looking at how the council can help foster civic responsibility and build capacity in the communities of Exeter to contribute to the wellbeing of the city and **commercialisation of the council** with a focus on maximising income and commercial opportunities. These Members Champions will help the Leader to take forward these important areas of work. These roles will not impinge on the every day work of councillors with their local communities and residents.

Champion for the Empowerment of Communities

The following lists set out some of the things that the Council are doing, or aim to do, to empower communities in Exeter. The role of the champion is to monitor progress against these objectives and to help take them forward.

- *Improve the strength and cohesion of communities by supporting the setting up of community groups across all areas of the city.*
- *Support the development of community centres or other facilities as hubs for meetings, events and activities.*
- *Support local communities to provide sports, leisure and recreational facilities in their local areas, including advising on access to funds and help with capacity building e.g. CIL, New Homes Bonus and community grants.*
- *Enable communities to assist with the delivery of services, or the management of facilities, in their local areas.*
- *Help communities to access support from businesses and encourage businesses to support Exeter's communities through their social responsibility initiatives.*
- *Promote civic responsibility and encourage communities in Exeter to contribute to the wellbeing of the city.*
- *Increase participation in local democracy*
- *Expand the use of digital media to help bring communities together and ensure the council engages with these networks across the city.*

Champion for the Commercialisation of the Council

The role of the champion is to ensure that the council is maximising income generation through the following activities:

- *Setting and reviewing of fees and charges effectively*
- *Exploiting invest to save opportunities*
- *Running an effective capital programme*

- *Capturing ideas for savings and income generation from staff across the organisation*
- *Optimising and adopting effective procurement practices*
- Member Champions may be created by Leader of the Council. Member Champions will remain in their role until the expiration of their term of office as a Councillor, when the relevance of the appointment will be reviewed. The Leader may decide at any point to review and terminate the appointment of a member Champion for good reason.
- Member Champions shall have no Executive or decision making powers and may not instruct officers. Champions shall not duplicate the work of Committee Chairmen and Executive members and shall ensure they liaise and advise them appropriately. Member Champions may not commit the Council to any course of action or any Council resources.
- Member Champions shall not attract a Special Responsibility Allowance, but shall be able to re-claim travelling and subsistence expenses in line with the agreed scheme and may attend appropriate events, seminars, training and conferences, subject to budget availability.
- With regard to access to information Member Champions will be regarded as having 'a need to know' in terms of accessing information held by the authority in relation to the remit covered by their role.
- Officers will be expected to support Member Champions.

ROLE DESCRIPTION

Member Champions may carry out the following functions with the regard to the issue for which they have been appointed Champion, within the Terms of Reference as set out above:-

- Ambassador – to provide a visible focus and raise the profile of an issue both internally and externally to the Council.
- Adviser to the Council in relation to the issue to provide a source expertise.
- Bringing issues to the Council's attention.
- Liaising with and providing a bridge between the Council and external Group bodies and communities.
- Keeping their issue within the Council's priorities and purposes.
- Attend relevant council meetings when required to provide information and expertise on the issue for which they are Champion.
- Be granted access to meetings as the representative of the Leader of the Council

EXETER CITY COUNCIL

EXECUTIVE

17 SEPTEMBER 2013

APPOINTMENT OF REPRESENTATIVES TO SERVE ON OUTSIDE BODIES

To appoint to outside bodies where emboldened to reflect changes in Portfolio Holder responsibilities together with appointments to two charities.

<u>BODY AND TERM OF OFFICE</u>	<u>CURRENT REPRESENTATIVES AND EXPIRY OF APPOINTMENTS</u>	<u>NUMBER OF MEETINGS PER ANNUM</u>	<u>TERMS OF REFERENCE</u>
Councillor Development Steering Group 1	Portfolio Holder for Enabling Services (Cllr Pearson) Cllr Baldwin Cllr Morris Cllr Prowse Cllr Ruffle Cllr Spackman 18.06.2013	4	To advise on the implementation of the Training and Development Strategy for Councillors and promote training and development opportunity.
Devon Authorities Waste Reduction and Re-cycling Committee 1	Portfolio Holder for Environment, Health and Well Being (Cllr Owen) 18.06.2013	3	Co-ordinates the establishment of waste minimisation and recycling schemes whether provided by the County Council, the District Councils or Devon Unitary Authorities, or jointly with each other, with commercial concerns or with community/voluntary groups.

Exeter Council for Sport and Recreation 1	Portfolio Holder for Economy and Culture (Cllr Denham) Cllr Mottram 18.06.2013	6	To encourage and promote increased participation in sport, recreation and play in the Exeter district in co-operation with Exeter City Council, Devon County Council and other interested organisations.
Exeter Health and Well Being Board 1	Cllr Edwards (Leader) Portfolio Holder for Environment, Health and Wellbeing (Cllr Owen) Portfolio Holder for Housing and Customer Access (Cllr Hannaford) Cllr Prowse 18.06.2013	4	Oversees the implementation of work associated with health and social inclusion in the City and comprises partners from the public sector, main agencies and voluntary sector working in Exeter.
St. Leonard's with Holy Trinity Charities 4	Ms A Sharp - 17.10.2013 Mr D Orchard - 30.11.2013	1	To provide assistance to individuals or groups of people in financial need who are residents of St Leonards, priority being given to those who regularly attend church services in the parish.
St Sidwell's Parish lands and Other Charities 4	Cllr Mitchell -18.10.2013	2	Provide and maintain the St Sidwell's Almshouses and provide funds to assist in the education of children in the parishes of St. Sidwell's, St. Matthew's and St. James.
South West Employers Panel 1	Leader (Cllr Edwards) 18.06.2013	2	Joint negotiating machinery for the South West comprising the employers' side and the trade union side and provides a forum for discussion, debate and negotiation on human resources.

<p>South West Water Liaison Group</p> <p>1</p>	<p>Portfolio Holder for Environment, Health and Wellbeing (Cllr Owen) Cllr Newby Cllr Robson (one representative each from the Priory and Topsham wards)</p> <p>18.06.2013</p>	<p>1</p>	<p>To improve the exchange of information of the Countess Wear Sewage Treatment Works operated by South West Water and the carrying out of works to improve odour control. Reports upon instances of complaints arising from odours from works and makes suggestions for the improvement of the environmental conditions relevant to the operations of the works.</p>
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CORPORATE MANAGER DEMOCRATIC AND CIVIC SUPPORT
9 SEPTEMBER 2013

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By virtue of paragraph(s) 3 of Part 1 of Schedule 12A of the Local Government Act 1972.

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