



Exeter City Council

To the Chair and Members
of the Scrutiny Committee - Economy

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AGENDA FOR
EXETER CITY COUNCIL
SCRUTINY COMMITTEE - ECONOMY

The Scrutiny Committee - Economy will meet on **THURSDAY 30 MAY 2013**, commencing at **5.30 pm**, in the Rennes Room, Civic Centre, Paris Street, Exeter to consider the following business. If you have an enquiry regarding any items on this agenda, please contact Sharon Sissons, Democratic Services Officer (Committees) on **Exeter 265115**.

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

Pages

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

1 **APOLOGIES**

To receive apologies for absence from Committee members.

2 **MINUTES**

To sign the minutes of the meeting held on 7 March 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.

Office of Corporate Manager Democratic & Civic Support

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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 for the consideration of the particular item 13 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.

5 **QUESTIONS FROM THE PUBLIC UNDER STANDING ORDER 19**

A period of up to 15 minutes will be set aside to deal with questions to the Committee from members of the public.

Details of questions should be notified to the Corporate Manager Democratic and Civic Support at least three working days prior to the meeting. Further information and also a copy of the procedure are available from Democratic Services (01392 265107) also on the Council web site.

<http://www.exeter.gov.uk/scrutinyquestions>

6 **QUESTIONS FROM MEMBERS OF THE COUNCIL UNDER STANDING
ORDER 20**

To receive questions from Members of the Council to appropriate Portfolio Holders.

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

Councillor Sutton (Portfolio Holder for Sustainable Development and Planning) and Councillor Denham (Portfolio Holder for Economy and Tourism) will present their report on the priorities for the forthcoming year in light of the Scrutiny Committee's work programme.

MATTERS FOR CONSIDERATION BY SCRUTINY COMMITTEE - ECONOMY

8 **EXETER CULTURAL STRATEGY 2013 - 2018 - PROGRESS REPORT**

To consider the joint report of the Assistant Director Economy and Museums Manager – *report circulated* 5 - 10

9 **YOUTH UNEMPLOYMENT**

To consider the report of the Partnerships and Projects Manager, Employment and Skills Board – *report circulated* 11 - 16

This item will also include a presentation from Janet Sinclair, Devon Partnership Manager and Sue Parr, Operational Partnership Manager - Job Centre Plus.

MATTER FOR CONSIDERATION OF EXECUTIVE

10 **LOW AVERAGE EARNINGS IN EXETER**

To consider the report of the Strategic Director (MP) – *report circulated* 17 - 20

11 **REPORT OF THE CHRISTMAS LIGHTS TASK AND FINISH GROUP**

To consider the report of the Christmas Lights Task and Finish Working Group – *report circulated* 21 - 28

PERFORMANCE MONITORING

12 **ECONOMY SCRUTINY REVENUE FINAL ACCOUNTS 2012/2013**

To consider the report of the Assistant Director Finance – *report circulated* 29 - 38

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

MATTER FOR CONSIDERATION BY THE EXECUTIVE

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

Members are invited to note the minutes of the Exeter and Heart of Devon Growth Board held on 30 April 2013 – *minutes to be circulated to Members* 39 - 48

DATE OF NEXT MEETING

The next **Scrutiny Committee - Economy** will be held on Thursday 5 September 2013 5.30 pm

FUTURE BUSINESS

The schedule of future business proposed for this Scrutiny Committee and other Committees of the Council can be viewed on the following link to the Council's website: <http://www.exeter.gov.uk/forwardplan>
Councillors can view a hard copy of the schedule in the Members Room.

Membership -

Councillors Leadbetter (Chair), Brock (Deputy Chair), Bialyk, Bowkett, Branston, Bull, Crew, Crow, Mottram, Pearson, Prowse, Robson and Wardle

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EXETER CITY COUNCIL

SCRUTINY COMMITTEE – ECONOMY 30 MAY 2013

EXETER CULTURAL STRATEGY 2013 – 2018 A PROGRESS REPORT

1.0 PURPOSE OF THE REPORT

- 1.1 To update Members on progress with development of the new Cultural Strategy.

2.0 BACKGROUND

- 2.1 The Exeter Vision Group on 7 November 2012 and the Scrutiny Committee – Economy meeting on 8 November 2012 approved the draft framework for the proposed Exeter Cultural Strategy 2013 – 2018. The framework set out strategic goals and ways forward to achieve a new cultural strategy for the city.
- 2.2 A vibrant cultural life plays a vital role in driving economic growth by creating attractive places to live and enhancing quality of life. It also produces economically valuable 'spin offs' such as business relocation and supports a distinctive sense of place differentiating a town or city from its competitors. Most importantly, culture helps create great destinations, which enables their visitor economy to flourish. The visitor economy is the UK's fifth biggest industry and one of the few sectors experiencing growth - it grew at over five times the rate of the UK economy as a whole in 2011 and contributes over £115 billion to Gross Domestic Product. Lively cultural activity ensures visitors stay longer and spend more as a result. This is borne out by monitoring of two city centre events in Exeter, where retailers sampled the impact on footfall and shopping patterns. These showed visitor numbers increased between 8% and 22% and shopper hours increased between 13% and 19%.
- 2.3 In March 2013 LGA and Arts Council of England (ACE) published "Driving Growth through local government investment in the Arts", (the paper looks at a broad picture and includes Museums and Libraries working in partnership with the arts as drivers of cultural tourism, and participation in arts and culture. This reflects the new funding responsibilities of ACE which now includes Museum and Libraries). This national 'best practice' report outlines a four step approach 'to ensure arts are well placed as part of the Council's overall drive to increase economic growth'. This includes the strategic engagement of the arts sector in the local economic landscape.
- 2.4 Locally the key to the implementation and 'reach' of the Cultural Strategy is the active engagement of the city's cultural sector. Accordingly, development of the strategy has been led by Exeter Cultural Partnership (ECP) with a Strategy Steering Group drawn from the wider partnership. ECP is a voluntary partnership made up of representatives from the city's leading cultural sector organisations representing sports, arts, heritage, lifelong learning and tourism. Exeter City Council is a key partner.

- 2.5 Having recently completed the Phase 2 consultation of the cultural sector in the city development of the strategy has reached a significant milestone making a progress update appropriate.

3.0 THE CONSULTATION PROCESS AND RESULTS

- 3.1 A successful application to the Arts Council of England's Grants for the Arts Scheme was made in November 2012 for assistance to support strategy development. The award of £9000 was made to enable the employment of a consultant to develop the Phase 2 sector consultation through survey work, engage the wider membership of ECP through the facilitation of additional meetings and help shape follow up actions that might arise from this work. The funding also included an allocation to develop ECP's web presence as currently this is ECP's main communication channel to the wider cultural grouping in the city.
- 3.2 ECP set up a strategy steering group, a sub group of the main steering group to oversee and manage the consultation process. The strategy steering group comprises the following members: Dom Jinks (University of Exeter Arts and Culture Manager, Chair of ECP; Jay Milling, Exeter City Football Club, Vice Chair of ECP; Seth Honnor, Kaleider; Patrick Cunningham, Director Exeter Phoenix; Ciara Eastell, DCC Head of Libraries; Camilla Hampshire RAMM Museum Manager ECC; Victoria Hatfield Tourism Manager, ECC; Val Wilson, Arts and Events Manager, ECC. Simon Timms former DCC Libraries and Countryside now retired and currently on the Heritage Lottery SW Board agreed to deputise for Ciara Eastell when necessary.
- 3.3 In late January 2013 ECP's strategy steering group appointed consultants to lead on the Phase 2 sector consultation process. The timetable for completion of this stage was mid April 2013.
- 3.4 A survey was designed which set out to:
- gain an understanding of culture in the city based on the proposed strategic goals set out in the draft framework for a cultural strategy for Exeter
 - enable involvement from the widest range of cultural sector
 - create a strong set of data to draw conclusions
 - explore opportunities for growth and development in the cultural sector
- 3.5 ECP members contributed some 1000 names across the cultural sector to whom the survey was emailed. A total of 212 valid replies were received with the largest single grouping of respondents coming from the Arts Sector.
- 3.6 In addition to the survey, five sector-specific discussion groups were held to facilitate the groupings of sub-sectors to meet and work together, as follows:
- Sports and Open Spaces
 - Lifelong Learning
 - Museums and Heritage
 - Arts
 - Enterprise (Tourism and Retail)
- 3.7 The strategy steering group met every Tuesday afternoon throughout

February to receive weekly reports from the consultant, a presentation of the survey findings, written summary of the discussion group findings and to support the consultation process. The consultant attended the ECP steering group meeting at the end of the research period to report back on the findings and their implications in context of the draft strategic plan.

3.8 The consultant's findings provide a sound basis on which to build:-

- the city is home to a wide, diverse range of quality cultural activity and organisations
- there has been recent investment in buildings and resources
- a high level of volunteering and engagement
- no lack of audiences
- tourism and retail markets are buoyant
- high levels of civic pride
- clear acknowledgement of high quality of life

However, although there are many positive factors there are also challenges. The findings showed that as a broad grouping of individuals and organisations, the cultural sector placed significant value on its independence. At the same time its constituent strands did not necessarily recognise themselves as a single entity, with a resulting lack of co-ordination and poor communications across the whole. This issue will need addressing for the city to promote itself as a cultural destination

3.9 The work to date has initiated conversations and networking which critically requires follow up in order to grow and build on the sector's positive views of the city as well as to achieve the real 'buy in' from the sector which can help differentiate Exeter through the quality of its cultural 'offer'. Ahead of a formalised strategy the Phase 2 consultation findings identify a set of key actions which will be necessary foundations for an effective strategy with the potential of a longer term impact.

Three areas of work are proposed to form Phase 3 of the strategy development with the document itself being produced in Phase 4.

- Communication: the need to improve internal communication within the sector and external communication to promote Exeter as a cultural destination
- Nurturing talent: developing grass roots talent progression routes in the creative industries including volunteering progression routes in heritage and sports
- Leadership – how ECP can grow its own capacity to lead and take the findings forward

4.0 KEY FINDINGS AND ACTIONS

Communication

4.1 The findings identified a need for a dual approach to improve communications both internally within the cultural sector and also externally to develop a marketing plan to promote Exeter as a cultural destination.

4.2 Internal communication – it is clear from the consultation that the cultural sector does not recognise itself as a coherent group. The different strands

making up the sector are not agreed on a definition of culture and while they accept that culture enhances quality of life they do not have clear sense of the role it plays in building a strong local economy. The benefits of collaboration are currently under exploited and the resulting fragmentation of effort inhibits everyone's efforts to raise the city's cultural profile externally.

4.3 There is, therefore, a clear role for ECP in building on the positive perceptions within the sector as identified in item 2.8, to develop the confidence and understanding of the sector and engagement from all its component groups. Working together the sector can maximise and harness the benefits of collaboration to enhance the quality of life in the city; its cultural brand, its distinctiveness and through this, its economic competitiveness and 'edge'. Developing this as a shared understanding within the city, founded on strong internal messaging adopted across the sector, is a critical first step to support our presentation of Exeter as a cultural city to external audiences.

4.4 External Communication – culture is a fundamental driver of the city's economy. The city's successful business sector provides an excellent model of development based on, leadership and branding. Exeter's Chamber of Commerce, the Heart of Devon Tourism Partnership and the Exeter and Heart of Devon Growth Board bring the business sector together, promoting the alignment of objectives, providing a clear focus for the sector and a series of consistent communication messages. The cultural sector needs to emulate this and the work proposed in Phase 3 sets out to achieve this.

4.5 It is proposed to step up the external visibility of the sector in a number of ways. These include:

Cultural Networking – ECP will lead on a series of network meetings with key note, high profile speakers from across the cultural sector, hosted by individual sectors and open to different cultural organisations but also business and members of the public

Visit England and Arts Council have announced a new partnership fund with a key priority to encourage and support destinations that have real potential to grow and improve cultural tourism. The details of the funding are expected to be released in July; ECP will liaise with Arts Council England and Visit England to discuss a potential application from Exeter to further our work in this area.

Nurturing Talent

4.6 The online survey and sector groups showed high levels of volunteering engagement within the cultural sector especially in areas of sport and heritage. The potential of such participation needs to be grown by supporting and sharing a volunteering infrastructure across the city's cultural organisations. This will deliver more benefits to the institutions, audiences and volunteers themselves and provide a pathway of opportunity for volunteers to move across sectors.

4.7 The research also identified that the cultural offer needs to have a developed focus that begins to nurture the talent and skills of young people within the city. The city has two educational establishments in the University and College that were both respectively voted University and College of the year in 2012 by The Times Newspaper. However a very small percentage

of creative graduates remain in the city, because there is not the environment or programme of work to support their transition into the cultural sector. There is clearly an opportunity for Exeter to exploit this talent.

- 4.8 One way in which the city can begin to nurture this latent talent is by developing a structured programme of progression in partnership with Exeter College and University of Exeter. There are a number of ad hoc projects currently that include internships, mentoring and apprenticeships but this needs to be joined up and communicated clearly. A structured programme should include:

- Volunteering
- Internships
- Mentoring
- Apprenticeships
- Entrepreneurs programme
- Surgeries
- Industry events such as talks, conferences and showcases

Leadership

- 4.9 Leadership has emerged in Phase 2 as a critical issue. Findings from both the discussion groups and the survey identified the need for effective leadership and strategic thinking in order to enable the cultural sector to grow and develop its potential. The issues raised included:
- the need for alignment with political and public planning frameworks so as to identify the infrastructure for cultural sector planning
 - the importance of the Exeter Cultural Partnership as a leading organisation
 - the value of challenging existing ways of working.
- 4.10 Other examples of cultural leadership include cities such as Plymouth and Bristol that have developed models of practice where there is an individual or small team that takes on the role of developing the cultural offer of the city. In Plymouth this has reaped dividends in recent years with the successful hosting of The British Arts Show and its intention to go for Capital of Culture for 2017.
- 4.11 ECP recommend that the creation of a part time post (0.5, 2 years minimum) with administrative support is needed to make this a success. This post could be funded in a number of ways likely to involve contributions from several funding streams. The administrative support could come from a Graduate Business Partnership student from the University. ECP recognises the levels of input and amount of work that is needed in terms of leadership, given the significant time spent to date in 2013 by ECP towards developing the Cultural Strategy. This has been achieved through the voluntary time contributed by members of the ECP steering group (8 people) and the organisations they represent.

5.0 PHASE 3 TIMESCALE

- 5.1 To deliver Phase 3 of developing the strategy ECP will:
- Use its remaining consultancy advice to produce an action plan to take forward the three areas outlined as Phase 3 (by end of May 2013).
 - Collaborate with City Council and other partners to deliver plans (deadlines as set in action plan above)
 - Produce a short report summarising consultancy findings to feedback to participants and the sector more generally. It will include an outline of planned next steps. (by end of May 2013).
 - Further investigate and develop a funding plan to enable this role of leadership to drive the strategy forward. This role would implement some of the immediate areas such as the communications plan, networking opportunities and the nurturing talent programme.
 - Using its Phase 3 proposals ECP plans to approach the Arts Council of England for a further Grants for the Arts application to support delivery of Phases 3 & 4 (by end of July 2013)
 - Organise workshops and meetings around themes to raise awareness and an understanding of the role culture plays in the city alongside its economic contribution to the life of Exeter (during 2013/14)
 - Investigate the potential of the Visit England /Arts Council funding programme when launched (July 2013) for growing Exeter's cultural tourism opportunities
 - Hold regular meetings with key council officers and Members to track progress on planning and delivery of Phase 3 (throughout 2013/14)
 - Work with cultural organisations, University of Exeter and Exeter College to develop a structured programme to nurture talent of individuals (programme to be developed during 2013/14)

6.0 RECOMMENDATION that:

- 6.1 Members note this report and support the direction being taken as summarised in the report to develop the Cultural Strategy.

Camilla Hampshire
Museums Manager and Cultural Lead

Richard Ball
Assistant Director Economy

Local Government (Access to Information) Act 1985 (as amended)
Background papers used in compiling this report:

None
 22 May 2013

EXETER CITY COUNCIL
SCRUTINY COMMITTEE – ECONOMY
30 MAY 2013

YOUTH UNEMPLOYMENT

1.0 PURPOSE OF REPORT

- 1.1 To present background information in preparation for a presentation from Jobcentre Plus about support to help young people (aged 18-24) move into work.
- 1.2 To review current data on levels of youth unemployment and the nature of support for young job seekers.

2.0 BACKGROUND

- 2.1 At the previous Scrutiny Committee – Economy, Members received a progress report and presentation setting out the Employment and Skills Board's priorities to address skill issues affecting businesses and the local labour market, ranging from employability skills in young people to skills gaps in the current workforce.
- 2.2 The report noted that the level of unemployment amongst 16 – 24 year olds remains high since the economic downturn. Although unemployment in Exeter is relatively low, young people make up a disproportionately high percentage of benefit claimants. To explore this trend further, Members requested a presentation from Jobcentre Plus, to explain some of the issues relating to youth unemployment and the ways in which they are being supported
- 2.3 It should be noted that Jobcentre Plus are a member of the Employment and Skills Board partnership and have been instrumental in helping to establish the new skills hub for the Growth Point development programme, contributing two officers to work at the hub for a 2 year secondment. This initiative aims to work directly with new and relocating businesses to create more employment and skill development opportunities for local residents, including unemployed people and young people entering the labour market. To utilise the City Council's role as a Planning Authority, a new policy line and delivery mechanism is being trialed to encourage developers to recruit and develop local labour.
- 2.4 The City Council has also launched an internal Apprenticeship Strategy, so far recruiting 6 apprentices with plans to expand to 10 apprentices per year on a rolling programme.

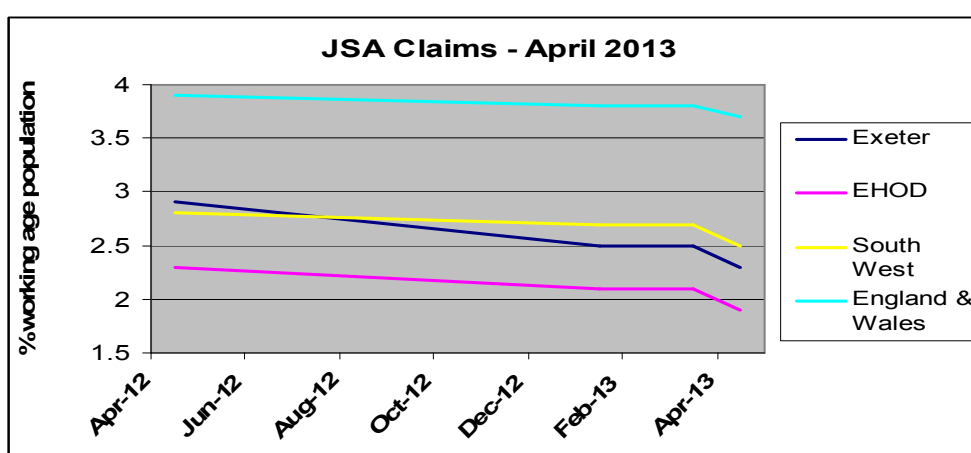
3.0 YOUTH UNEMPLOYMENT TRENDS

- 3.1 Unemployment levels in Exeter have constantly remained below South West and national levels.

Table 1 - Year Comparison – All JSA Claimants (Aged 16-64)

Area	April 2012		April 2013	
	No.	%*	No.	%
Exeter	2,350	2.9	1,855	2.3
East Devon	1,260	1.7	1,165	1.6
Mid Devon	1,030	2.2	885	1.9
Teignbridge	1,610	2.2	1,475	2.0
EHOD	6,245	2.3	5,380	1.9
South West	91,635	2.8	83,930	2.5
England & Wales	1,407,615	3.9	1,334,195	3.7

(* % of resident population aged 16 to 64)



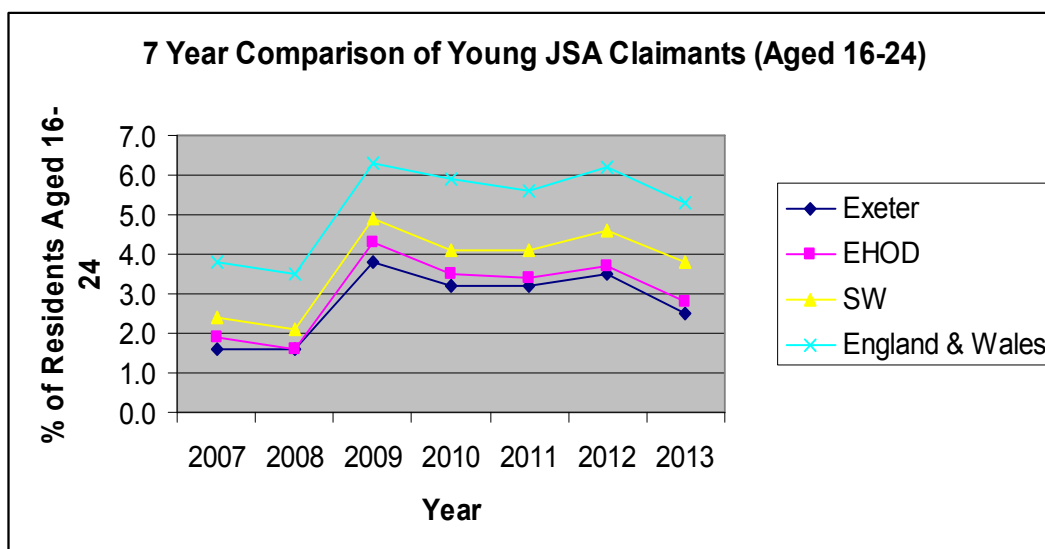
- The level of unemployed residents claiming Jobseekers Allowance (JSA) as a proportion of the resident population (aged 16-64) sits at **2.3% as of April 2013** and has decreased by 0.6% (495 people) since this time last year.
- Total claims in Exeter also remain relatively low compared to 4.2% in Torbay, 3.5% in Plymouth and 3.7% across England and Wales.

3.2 Although unemployment levels in Exeter are relatively low, young people make up a disproportionately high percentage of benefit claimants (23% of all claims).

Table 2 – Seven Year Comparison – Young JSA Claimants (Aged 16-24)

Date	Exeter		EHOD		South West		England & Wales	
	No.	%*	No.	%	No.	%	No.	%
April 2007	375	1.6	985	1.9	14,470	2.4	250,855	3.8
April 2008	350	1.6	850	1.6	12,695	2.1	230,100	3.5
April 2009	850	3.8	2,260	4.3	29,700	4.9	414,740	6.3
April 2010	710	3.2	1,815	3.5	25,380	4.1	393,795	5.9
April 2011	690	3.2	1,785	3.4	24,660	4.1	375,255	5.6
April 2012	765	3.5	1,940	3.7	27,750	4.6	411,860	6.2
April 2013	540	2.5	1,460	2.8	22,970	3.8	352,060	5.3

(* % of resident population aged 16 to 24)



Since the economic downturn in 2007:

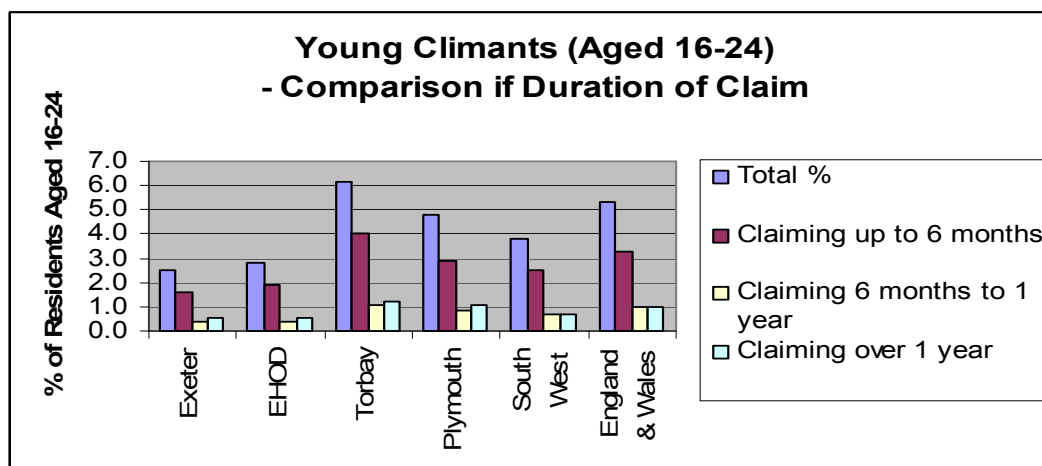
- the number of 16 – 24 year olds in Exeter claiming JSA reached a peak in 2009 (850)
- April numbers are currently at their lowest level for 5 years (540) having reduced by 225 over the previous year, but still above the pre-recession level
- the proportion of young claimants (aged 16-24) in Exeter has remained below neighbouring districts of East Devon, Mid Devon and Teignbridge, whereas the proportion of all claims (aged 16-64) in Exeter is higher than in these districts

3.3 Comparing the duration that young people claim JSA shows similar trends across the South West. The majority of 16-24 year old JSA Claimants claim for less than 6 months (1.6% in Exeter), with the fewest claiming for 6 – 12 months (0.4% in Exeter) and slight increase for those claiming for over 1 year (0.5% in Exeter)

Table 3 – March 2013 – Young JSA Claimants (Aged 16-24) and Duration of Claim

Area	Total		Claiming up to 6 months		Claiming 6 months to 1 year		Claiming over 1 year	
	No.	%	No.	%	No.	%	No.	%
Exeter	540	2.5	355	1.6	85	0.4	105	0.5
East Devon	280	2.4	200	1.7	40	0.4	40	0.3
Mid Devon	270	3.7	170	2.3	40	0.5	60	0.8
Teignbridge	370	3.3	275	2.4	45	0.4	45	0.4
EHOD	1,460	2.8	1,000	1.9	210	0.4	250	0.5
Torbay	795	6.2	505	4.0	135	1.1	150	1.2
Plymouth	1,850	4.8	1,120	2.9	310	0.8	420	1.1
South West	22,970	3.8	15,160	2.5	3,915	0.7	3,890	0.7
England & Wales	352,060	5.3	218,700	3.3	68,100	1.0	65,260	1.0

(* % of resident population aged 16 to 24)



However, in terms of long term unemployment in Exeter, 21.5% of all JSA claims made for over 1 year are made by residents aged 16-24:

Table 4 – Year Comparison – JSA Claims over 1 Year by Age Group

Age	April 2012		April 2013	
	No.	%*	No.	%
Aged 16-64	465	0.6	450	0.6
Aged 16-24	100	0.5	105	0.5

(* % of resident population within specified age bracket)

3.4 Finally, an analysis of ward level data in Exeter shows pockets of youth unemployment in a number of locations. The 4 Wards (Priory, St David's, Exwick and Whipton & Barton) account for almost half (44.5%) of all 16-24 JSA claimants in Exeter.

Table 5 – March 2013 - Young JSA Claimants (Aged 16-24) by Ward

Ward	Aged 16 to 24
	No.
Priory	75
St David's	70
Exwick	55
Whipton & Barton	40
Mincinglake	35
Cowick	30
Newtown	30
St James	30
Alphington	25
Polsloe	25
St Thomas	25
Pinhoe	20
St Loyes	20
Pennsylvania	15
Heavitree	10
St Leonard's	10
Topsham	10
Duryard	5
Exeter Total	540

4.0 NATURE OF SUPPORT

- 4.1 Young people between the ages of 16 – 17 receive targeted support from Careers South West to reengage them into education or training and prevent them from becoming “NEET” (Not in Education Employment or Training). Young people under 18 years old are only eligible to access support from Jobcentre Plus in exceptional circumstances, such as when they have been alienated from their parent or guardian.
- 4.2 Jobcentre Plus support people aged 18-64 by encouraging and supporting job seekers to find employment via a range of provision, including work clubs, enterprise clubs, volunteering, work experience and sector-based work academies (pre-employment training with work experience and a guaranteed job interview).
- 4.3 Recognising the particular challenges facing young job seekers, the Government launched the £1billion Youth Contract in April 2012 to help young unemployed people get a job. The Youth Contract aims to provide nearly half-a-million new opportunities for 18-24 year olds through a range of initiatives, including:
- wage incentives for employers (£2,275 grant for recruiting an unemployed 18-24 year old)
 - work experience
 - Apprenticeship Wage Incentives (£1,500 grant for recruiting a new 16-24 year old)
 - Apprenticeships
 - Additional support for disengaged 16-17 year olds – “NEETs” (Programmes which move young people into full-time education, an Apprenticeship or a job with training)
- 4.4 All young people are referred to the Work programme at 9 months of unemployment. Those considered to be at risk of long term unemployment can also choose to join the Work Programme early. Two national providers, Prospects and Working Links are contracted by Jobcentre Plus/Department for Work and Pensions, to run the Work Programme in Exeter. Individuals stay on this supported scheme for up to two years aiming to resolve barriers preventing them finding work or until they find sustained employment.
- 4.5 The Work Programme is intended to provide tailored support to individuals to overcome issues affecting their ability to find employment, ranging from confidence building and training for basic skills, to support writing CVs and applying for work. The Work Programme also helps young people to make the transition into apprenticeships, pursue self-employment and deal with health conditions, in conjunction with specialist services.

5.0 QUESTIONS TO ASK

- 5.1 Members might want to ask:
- (a) How successful has the Youth Contract been at incentivising local employers to recruit young job seekers?
 - (b) What do you perceive to be the most common difficulties and issues facing unemployed young people?

6.0 FINANCIAL IMPLICATIONS

- 6.1 There are no immediate financial implications arising from this report.

7.0 RECOMMENDATION that:

- 7.1 Members note the report and receive a presentation from Jobcentre Plus about support available to help young people (aged 18-24) move into work.

GILLIAN BISHOP
PARTNERSHIPS AND PROJECTS MANAGER, EMPLOYMENT & SKILLS BOARD

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

Background papers used in compiling this report:

- *'Progress Report: Employment and Skills Board'*, 7 March 2011 Scrutiny Committee – Economy, Exeter City Council
- *'Unemployment in Exeter'*, 31 May 2012 Scrutiny Committee – Economy, Exeter City Council

Data Information:

- Rates for local authorities, regions and countries from 2011 onwards are calculated using the mid-2011 resident population for the appropriate age group

EXETER CITY COUNCIL

SCRUTINY COMMITTEE – ECONOMY 30 MAY 2013

EXECUTIVE
18 JUNE 2013

LOW AVERAGE EARNINGS IN EXETER

1 PURPOSE OF THE REPORT

- 1.1 The purpose of this paper is to raise to Members' attention the issue of low wages across Exeter and the potential impact this has on both the local economy and citizens across the City. It further provides comparative data with which to gauge Exeter's current position and the degree of deviation that exists from national and other South West authority levels.
- 1.2 It does not attempt to provide solutions at this stage, but simply requests that Members consider the potential importance of this.

2 BACKGROUND

- 2.1 Before looking specifically at the data, it is important that a number of terms are defined in order to aid understanding and clarity. The two key descriptors that tend to be used when considering wage related data are those of minimum wage and the living wage. These are the baselines against which wage levels tend to be compared.

Minimum Wage

- 2.2 The minimum wage was introduced in 1999 and requires employers to pay employees a minimum wage.
- 2.3 In 1999 the adult rate started at £3.60 per hour and since then has increased every October. The rates vary for different ages. As of October 2012 the rates were as follows:
- 21 or over = £6.19
 - 18 – 20 = £4.98
 - 16 – 17 = £3.68
 - Apprenticeships = £2.65 (wage can be as low as £2.65, regardless of age, dependent on how much the employer wishes to pay).

Living Wage

- 2.4 The living wage is defined as a wage that can meet the basic needs to maintain a safe, decent standard of living and have the ability to save for future needs and goals. This is based on a person working 40 hours a week with no additional income.
- 2.5 The living wage is calculated at £7.45 per hour.

3 COMPARISONS

- 3.1 The following tables show the hourly pay differences which exist between different places for full and part time employees across both South West districts and nationally.
- 3.2 To put these in context it is useful to remember that there are 85,000 employees in Exeter, of which 57,000 are full time and 28,000 are part time. The calculations that support these tables use these figures to gauge the likely impact on employee numbers.
- 3.3 The data is broken down into percentile bands and indicates the % of lowest paid employees and the hourly rate paid.

Full Time

	10%	20%	25%
Exeter	£6.75	£8.04	£8.34
Plymouth	£6.97	£7.87	£8.29
Bristol	£7.09	£8.53	£9.11
South West	£7.00	£8.19	£8.77
England & Wales	£7.11	£8.45	£9.06

The above table illustrates that approximately 6,000 (57,000 x 10%) full time workers in Exeter are working for no more than £6.75 an hour, under the living wage (£7.45). Compared to other locations in our region and nationally it is apparent that wages in Exeter are generally less than other like authorities.

Part Time

	10%	20%	40%
Exeter	£5.93	£6.15	£6.90
Plymouth	£5.93	£6.09	£6.72
Bristol	£5.93	£6.35	£7.31
South West	£5.94	£6.26	£7.19
England & Wales	£5.93	£6.22	£7.23

The figures above show that part time hourly wages are significantly lower than full time wages and show that up to 5,500 part time employees could be receiving less than the minimum wage and 40% less than the living wage.

- 3.4 Further analysis shows that the hourly rate for male employees (full and part time combined) in Exeter is higher than the rate paid for female employees; the lowest 10% of males being paid £6.37 per hour in comparison to £6.09 per hour for females. The rates of pay in both instances are generally lower than those paid in other areas.
- 3.5 The following tables show the median full time workers' average hourly wage % of growth since 2002 and the average annual pay growth in comparison to other areas.

Hourly

Date	Exeter	Plymouth	Bristol	South West	England & Wales
2002 (£)	8.51	8.58	9.43	9.08	9.86
2012 (£)	10.77	11.60	12.46	12.00	12.91
Growth %	26.6	35.2	32.1	32.1	30.9

Again this table illustrates that the % growth over the last 10 years has been less than other comparable locations.

Annual

Date	Exeter	Plymouth	Bristol	South West	England & Wales
2002 (£)	18,200	18,400	19,800	19,300	20,600
2012 (£)	22,100	24,000	25,500	25,000	26,600
Growth %	21.4	30.4	28.8	29.5	29.1

Total salary levels for the median full time worker in annual terms again has not risen in line with other comparable areas or the national figures.

4 ISSUES

- 4.1 The figures in the tables show that, for Exeter, average earnings, whether hourly or annual, are the lowest (or almost lowest) of all the places listed; below the regional and national averages.
- 4.2 For the median average annual earnings, Exeter is £4,500 below the average for England & Wales. The next worst is Plymouth at £2,600 below, then Bristol which is £1,100 below.
- 4.3 Part time hourly wages are significantly lower than full time wages; this is likely to be explained in some part by more young people working part time roles (so receiving the lower minimum wage rate).
- 4.4 From an economic perspective, businesses in the City are already concerned about the ability to attract the top employees. While earnings will only play a part in this it is likely to be a significant part - if the same role is available in another part of the country, with a higher salary, employees are likely to look elsewhere.

5 CONCLUSION

- 5.1 The above data clearly illustrates that since 2002 Exeter has failed to keep wage levels comparable with other similar areas across the South West and nationally. In addition the rate of growth of salaries between 2002 and 2012 is below that achieved within the rest of the South West and nationally.
- 5.2 The potential impact of benefit reforms may well further impact on individual living standards and therefore the need to create a growing economy with appropriate wage levels will become more important.

6 RECOMMENDED

6.1 In light of the above data, Scrutiny Committee and Executive Committee Members are recommended to:

- a) note the contents of this report and the potential impact on citizens and the wider economy;
- b) to consider mechanisms that would provide the means to ensure that the City strives to achieve higher wage levels;

**MARK PARKINSON
STRATEGIC DIRECTOR**

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

Background papers used in compiling this report:

None

22 May 2013

EXETER CITY COUNCIL

SCRUTINY COMMITTEE – ECONOMY 30 MAY 2013

EXECUTIVE
18 JUNE 2013

CHRISTMAS LIGHTS TASK AND FINISH GROUP

1. PURPOSE

- 1.1 At its meeting on 7 March 2013, Scrutiny Committee – Economy agreed to establish a Task and Finish Group to look at the future funding of City Centre Christmas Lights. This brief report sets out key outputs from the work of the Task & Finish Group.

2. BACKGROUND

- 2.1 The Christmas Lights project was historically delivered by the Exeter City Centre Consortium (disbanded in 2007). The City Council has taken the lead for delivering the Christmas Lights project since 2007.
- 2.2 Business funding for the Lights project has gradually reduced over a number of years – with the trend of a decline in funding starting whilst the City Centre Consortium was still leading on the Christmas Lights project. Christmas Lights were only delivered in 2011 and 2012 due to private sponsorship deals.
- 2.3 The area covered by Christmas Lights has gradually reduced, with the core area now lit being limited to Princesshay (funded through the Princesshay service charge), Guildhall Shopping Centre (funded through the Guildhall Centre service charge) and High Street. Some Christmas Lights have also been delivered in areas such as Fore Street and Castle Street (funded by local businesses).

3. SUMMARY OF WORK

- 3.1 Membership of the Task & Finish Group comprised Cllrs Crow (as Chair of Scrutiny Committee - Economy), Denham (as Portfolio Holder for Economy and Tourism) and Cllrs Brock, Bull & Prowse. Cllr Prowse was elected as Chairman of the Task & Finish Group at its first meeting.
- 3.2 The Task & Finish Group considered a range of issues, namely:
- Reviewing the mechanisms used for delivering the City Centre Christmas Lights project during the last decade and identifying weaknesses in the process.
 - Identifying funding vehicles used for support Christmas Lights projects in other towns & cities.
 - Identifying role played by Business Improvement Districts in supporting Christmas Lights projects.

Should There Be Christmas Lights?

- 3.3 The Task & Finish Group commenced its first meeting with a discussion on the core question of whether there should be Christmas Lights. There was dialogue around the focus of towns and cities, and specifically competitor towns and cities around the region, on delivering lighting schemes that provided a key feature of Christmas marketing and promotional campaigns. There was recognition that quality must be a key feature of Christmas Lighting schemes if they're to provide a valuable contribution to the economic competitiveness of the City Centre during the Christmas period.
- 3.4 The Task & Finish Group unanimously accepted the case for Christmas Lights as a key element of driving footfall in to the City Centre and delivering a competitive Centre during the key Christmas trading period.

Funding Arrangements in Competitor Centres/BIDs

- 3.5 It was noted that Business Improvement Districts (BIDs) play a key role in the funding of Christmas Lights in a number of Centres across the region and, specifically, in both Plymouth and Barnstaple. BIDs have unlocked substantial sums of money that have allowed:
- Comprehensive schemes, to include all Town & City Centre areas;
 - Year-on-year investment in new lighting schemes;
 - A focus on ensuring attention is paid to 'gateways' and getting first impressions right;
 - The delivery of design competitions for Christmas Lights features – including children's and schools competitions;
 - Christmas Lights to be a core feature of competitor town and city Christmas marketing and promotional campaigns.
- 3.6 Members noted that the cessation of BID arrangements in Taunton had resulted in significant challenges to the delivery of Christmas Lights, with a focus of effort in seeking a further BID to underpin longer-term development of the Christmas Lights project.

Proposal

- 3.7 The Task and Finish Group supported an approach to Christmas Lights involving:
- Core City Council funding for an annual Christmas Lights display, with annual costs for a core display identified as £14,500 for 2013, 2014 and 2015.
 - The development of a model under which the core annual display could be grown dependent on attracting in additional funding from retailers across the City Centre and key sponsors;
 - The development of presentation material for City Centre businesses, showing clear illustrations of what additional Lights would be delivered against varying levels of additional business income;
 - Targeted business meetings being held with groups of businesses across the City Centre, encouraging them to support a new partnership approach to Christmas Lights funding;
 - Positive letters being sent out to City Centre retailers – encouraging active support for the Christmas Lights project;
 - A clear statement of intent that there should always be early clarity on what Christmas Lights displays could be delivered for identified available resources.

- Christmas Lights should focus on building out from a quality display at the core of the City Centre, on ensuring attention is paid to 'gateways' & getting first impressions right and on encouraging positive engagement with businesses in 'secondary' retail areas.

3.8 'Core Christmas Lights Scheme' costs are set out in Table 1 and 'Additional Growth Costs' are identified in Table 2.

4. FINANCIAL IMPLICATIONS

4.1 A budget of £14,500 is needed to support the proposal from the Christmas Lights Task & Finish Group.

5. RECOMMENDATION that:

5.1 Scrutiny supports the proposals from the Task & Finish Group as set out in paragraph 3.7 above and requests approval by the Executive for an identified £14,500 budget for 2013, 2014 and 2015 to provide a core display.

JOHN HARVEY

CITY CENTRE MANAGER

on behalf of the Christmas Lights Task & Finish Group

ECONOMY DIRECTORATE

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

Background papers used in compiling this report:

None

Final T&FG Scrutiny Report, 20.05.13(jh)

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Table 1

**Christmas Lights 2013/14
Core Scheme Costs**

<i>Street</i>	<i>No of Crossings/Decorations</i>	<i>Description</i>	<i>Annual Rental Cost</i>	<i>Erection Cost</i>	<i>Total Cost</i>
High Street	11 cross-street decorations	Twinkling Light Curtain & 3D Light Balls	£ 6,336.00	£ 2,700.00	£ 9,036.00
	Bedford Square/High Street Feature (x1)	Twinkling Light Curtains	£ 1,782.00	£ 720.00	£ 2,502.00
Fore Street	9 Columns	Minibulb Spray' lamp column decorations	£ 785.48	£ 841.50	£ 1,626.98
South Street	1 Gateway Feature	Bespoke 'Welcome to Exeter' feature, with Light Curtains	£ 899.00	£ 350.00	£ 1,249.00
					£ 14,413.98

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Table 2

Christmas Lights 2013/14
Potential Additional Scheme Costs

Street	No of Crossings/Decorations	Description	Annual Rental Cost	Erection Cost	Total Cost
Queen Street	1 Gateway Feature	Bespoke 'Welcome to Exeter' feature, with Light Curtains	£ 899.00	£ 350.00	£ 1,249.00
Sidwell Street, Paris Street, York Road Junction	Gateway/lamp column features	3 Star Spray with Twinkling Minibulbs (2 per column)	£ 2,068.40	£ 1,148.00	£ 3,216.40
Top' Fore Street	1 Gateway Feature	Bespoke 'Welcome to Exeter' feature, with Light Curtains	£ 899.00	£ 350.00	£ 1,249.00
Sidwell Street (York Road to Paris Street)	5 cross-street decorations	Twinkling Light Curtain & 3D Light Balls	£ 4,455.00	£ 1,875.00	£ 6,330.00
High Street	Lighting Trees in Castle Street & o/s Tesco		£ 750.00	£ 725.00	£ 1,475.00
					£ 13,519.40

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EXETER CITY COUNCIL
SCRUTINY COMMITTEE - ECONOMY
30 MAY 2013

ECONOMY SCRUTINY REVENUE FINAL ACCOUNTS 2012-13

1. PURPOSE OF REPORT

1.1 This report advises Members of the overall financial performance of the Economy and Development Directorate for the 2012-13 financial year ended 31 March 2013.

2. INFORMATION

2.1 During the course of the financial year ending 31 March 2013, regular reports were made to this committee on the estimated revenue outturn.

2.2 The final actual outturn has now been calculated and the report below highlights the major differences by management unit from the approved annual budget after adjusting for supplementary budgets and excluding the variance on capital charges. The total variation for the year shows a surplus of £811,033 against the budget, with a final surplus of £856,527 after accounting for transfers to and from earmarked reserves and revenue contributions to capital (RCCOs).

2.3 The Support Service recharge budgets within this committee are £271,072 less than the budget, this figure is included in the year end underspend for the committee. The Support Service budget underspends for the individual management units are included in the variance figures detailed in paragraph 2.4.

2.4 The main variations by management unit are detailed below:

2012-13 REVISED ESTIMATE Less CAPITAL CHARGES VARIANCE	£ (2,428,648)
83A1 PROPERTY & ESTATES SERVICES	(256,220)

The reduced pay award has resulted in a saving on pay budgets.

The budget in respect of Local Land Charges has been moved to the Building Control management unit as part of the senior management restructure. Therefore any variances in respect of this budget have been report in 83A9.

It was previously reported that the majority of the income budgets in the property portfolio were broadly on profile. The year end figures show that some areas were above profile. There were a number of properties that were void for a period during the year resulting in the income for these properties being below profile. However, year end figures show that income was above the budgeted figure by £66,225 (December estimate £55,000).

The liability in respect of National Non-Domestic Rates for a void property falls on the Council, meaning expenditure exceeded the budgeted figure at year end by £17,180.

The anticipated savings in respect of various supplies and services' budgets were achieved with the expenditure on software licences, marketing and consultant fees being less than the budgeted figure.

There has been an underspend of £73,266 on support service recharge budgets and a £55,022 underspend on the Asset Improvement and Maintenance budgets (AIMS). An element of the underspend on the AIMS budget will be carried forward to fund works planned for 2013-14.

The recharge from the Estates team to this management unit is less than budgeted by £25,134 and the recharge from Legal Services is £13,310 less than the budget included.

83A2 TRANSPORTATION (46,627)

This management unit includes the budget in respect of transportation initiatives.

The variance against budget is in respect of the recharge for support services. The budget was set including a support service recharge to this management unit in respect of the Business and Projects Manager. The accounting procedure for recharging the cost of this post changed in-year, the cost of the Business and Projects Manager has been charged direct and not via a support service recharge.

The cost of the Green Travel Plan is also included in this management unit, there was a small overspend in-year. This overspend will be covered by a transfer from the associated earmarked reserve.

83A3 CAR PARKING (220,544)

The reduced pay award has resulted in a £7,000 saving on pay budgets. In addition, savings of £27,000 have arisen as a result of vacant posts in the service.

External insurance charges were £13,000 less than the budget and utility costs were £8,000 less than the budget.

AIMS recharges were £20,000 less than the budget, but maintenance costs incurred by the service exceeded the budget by £28,000. £14,000 of these additional costs related to work required on trees.

Income from parking charges exceeded the budget by £197,000.

The recharges from Cleansing Services were £23,000 less than the original estimate.

These savings are partially offset by National Non-Domestic Rates (NNDR) charges exceeding the estimate by £35,000, and supplies & services costs exceeded the budget by £8,000.

83A4 ECONOMIC DEVELOPMENT (16,716)

The reduced pay award has resulted a saving in this unit. A further saving has been made on salary costs due to a member of staff taking voluntary redundancy with effect from 31 December 2012.

The salary saving will be offset by the associated redundancy cost; this payment will be funded from the earmarked reserve.

The Exeter Business Against Crime initiative has made a surplus in the year (£9,964); the surplus will be transferred to the EBAC earmarked reserve for investment in the initiative in future years.

There have been overspends on various supplies and services codes with expenditure being incurred in respect of the production of the Promotional Video. This expenditure has been approved by Executive committee and will be funded by the New Homes Bonus Grant.

The New Homes Bonus Grant has also been used to fund the unbudgeted expenditure on the Christmas Marketing campaign.

There has been an underspend of £32,805 on the support service recharges to this management unit.

83A5 ARTS & EVENTS 6,519

Expenditure in respect of the Olympic Screen (£17,590) and the Royal Visit (£9,677) has been incurred in this management unit. The expenditure in respect of the Olympic Screen has been funded by a transfer from the earmarked reserve.

There has been an underspend on the budget for the year in respect of the Olympic Torch Event (£8,324), the budget for this is fully funded in 2012-13; however an element of the expenditure was incurred in the previous financial year and reported as an overspend.

There has been an underspend on the support service recharge budgets.

83A6 TOURIST INFORMATION (6,068)

The reduced pay award has resulted in a saving on pay budgets.

Income in respect of the Visitor Information Centre was less than the annual budget (£18,717). The shortfall of income has been partially offset by saving on utilities, service charges and insurance budgets (£8,683) at the Visitor Information Centre and the Underground Passages.

In addition, the expenditure on various supplies and services budgets is less than the annual budget. The underspends are in respect of the Visitor Information Centre and the Tourism promotion budgets (£12,654).

A small saving has also been made on the equipment, tools and materials and furniture budgets within the management unit.

The year end underspend includes a saving in respect of Support Service Recharges.

83A8 DISTRICT HIGHWAYS & FOOTPATHS (11,123)

Support service recharges were £4,000 less than estimated. Maintenance and electricity costs were £7,000 less than estimated.

83A9 BUILDING CONTROL (74,589)

The reduced pay award has resulted in a saving on pay budgets. Additional savings have been made due to non-recruitment to a vacant post.

The Building Control fee earning account is budgeted on a cost recovery basis. The income from building control fees was reported as being on profile as at 31 December 2012, the year end figures confirm this.

The surplus on the fee earning account was expected to be £25,480; the actual surplus was £62,005. The change in surplus is partially due to an underspend on the Support Services recharge budgets (£25,886) and savings on various Supplies and Services budgets. The surplus will be transferred to the Building Control earmarked reserve as part of the year end process.

The Land Charges function now sits in this management unit. The fees charged for this service are calculated on a cost recovery basis and the service is expected to break even on a 3-year rolling cycle.

Figures as at 31 December indicated that income from search fees was expected to be lower than the budgeted figure. The year end figures show that income was £25,698 less than the budgeted figure. However, the shortfall of income was partially offset by a saving on support service recharges to this management unit.

The deficit was projected to be in the region of £9,000 at the end of the financial year, the actual deficit was £6,678. This deficit will be recovered by increasing the charge for search fees with effect from 1 May 2013.

83B1 LAND DRAINAGE AND WATER COURSES 52,060

Support service recharges exceeded the budget by £17,000.

A £20,000 cost for an economic survey in connection with the proposed improvements to the city's flood defences has been paid by this service. Maintenance costs exceeded the budget by £15,000 as a result of the flooding experienced in 2012.

83B2 ADMINISTRATION SERVICE

0

The majority of staff from the administration teams of Economy and Community and Environment directorates were transferred to the new Corporate Support Unit with effect from 1 April 2012, to combine with what was the General Office administration team.

The budget for 2012-13 for the now disbanded Economy and Development Administration team is held in this committee, while the costs are being recorded in 86B5 Corporate Customer Services within Resources Scrutiny.

83B3 DIRECTOR ECONOMY & DEVELOPMENT

0

This management unit and the associated costs have been transferred to Chief Executive's Unit as part of the senior management restructure; any variances to the budget have been reported through the Scrutiny Resources budget monitoring report.

83B4 ENGINEERING & CONSTRUCTION

48,356

The senior architectural surveyor was transferred from the Contracts Unit into this service during the year, increasing both pay costs and recharges to other services.

The cost of a redundancy will be funded from the earmarked reserve and has therefore not been recharged to services.

83B5 PLANNING SERVICES

(72,090)

The reduced pay award has resulted a saving in this unit. A further saving will be made on salary costs due to a member of staff taking voluntary redundancy with effect from 30 June 2012.

A further redundancy has been approved; the redundancy payment has been included in the 2012-13 figures. This payment will be funded from the earmarked reserve.

Expenditure of £59,382 has been incurred in respect of the Eastern Fields Village Green application. This unbudgeted expenditure was approved by Executive on 4 December 2012.

The quarter 3 budget monitoring report projected that income from planning fees would be £195,000 above the budgeted figure; the year end figures show that the fee income was £181,068 above the annual budget.

Expenditure has been incurred in respect of the match funding contribution to Exeter and East Devon New Growth Point Delivery Team, this expenditure was approved as an overspend.

A transfer from the earmarked reserves will be made to cover the expenditure incurred in 2012-13 in respect of the Local Development Framework (£10,440) and Habitats Assessments.

The balance remaining in the Planning Delivery Grant earmarked reserve will be transferred to fund an element of the expenditure made during the year.

Costs associated with the Community Infrastructure Levy are included; the expenditure in 2012-13 is unbudgeted. A budget has been included in 2013-14 to fund the expenditure; fee income in respect of the levy will also be received in the year.

The additional expenditure detailed above has been partially offset by an underspend on the Support Service recharge budgets (£48,086) within the management unit.

83B6 CONSERVATION (4,494)

A saving has been made on the budget for conservation grants.

This saving has been partially offset by a small overspend on the Asset Improvement Maintenance budget.

83B7 ARCHAEOLOGICAL FIELD UNIT (27,617)

The budget in this management unit is in respect of the running costs of the Customs House.

Part of the Custom House has been leased meaning additional income has been received in the year.

The leasing of part of the building has also resulted in savings on the utilities budget and the budgets allocated for the maintenance of the building.

The Support Service recharge budgets are also underspent.

The above savings have been offset by the expenditure incurred on works required to complete the commitments outstanding. This expenditure will be funded by a transfer from the earmarked reserve.

Income has been received in 2012-13 in respect of debts which relate to projects completed when the AFU was a trading unit. The additional income will be transferred to the earmarked reserve to fund the completion of the commitments outstanding in 2013-14.

83B8 MAJOR PROJECTS (52,529)

Expenditure has been incurred to engage the necessary legal and property expertise in respect of the regeneration of the Bus Station Site, the in-year expenditure was less than budgeted. This expenditure is being funded by the New Homes Bonus grant.

83B9 MARKETS & HALLS

(56,020)

The reduced pay award has resulted a saving in this unit. This saving will be offset by the associated redundancy cost; this payment will be funded from the earmarked reserve.

It was reported that income figures continued to be above the profiled budget as at 31 December with income at the Matford Centre and the Corn Exchange being above the profile. Year end figures confirm the continuation of this, meaning income received from each facility was above the budgeted figure.

Sources of income that are above the budgeted figure are Corn Exchange events income and income from concourse events, boardroom hire, car parks and open air markets at the Matford Centre.

This additional income has been partially offset by unbudgeted expenditure in respect of markets. This expenditure related to the 2011/12 financial year but was not included in the accounts for that year.

The budget in respect of event promotion at the Corn Exchange has exceeded the budget. This additional expenditure has been covered by the additional income received in respect of the events held at the venue.

The budget in respect of Non-Domestic Rates (NNDR) at the Matford Centre was exceeded this is also the case for the budget for electrical testing at the Corn Exchange.

83C1 WATERWAYS

(73,333)

Support service recharges were £6,500 less than the estimates.

The Topsham Ferry Operator and Quaymaster's contract was revised from 1 April 2012. Under the previous arrangements, the operator received all income from the ferry and a reduced salary. He now receives a full salary, and the Council retains all income from the ferry. The new arrangements increased costs by £4,000.

AIMS recharges are £54,000 less than the estimates, but maintenance costs borne by the service exceeded the budget by £17,000.

External insurance costs exceeded the estimates by £13,000 as no premium was charged in 2011-12. The marine advice contract cost £2,000 less than estimated. Boat maintenance cost £4,500 more than the estimates.

Income from the canal's activities exceeded the estimates by £8,000, and commission costs were £4,000 less than the estimates. Insurance excess payments and provisions were £8,000 less than the estimate.

There has been a £30,000 saving on the Exe Estuary review. No budget will be required for this project in 2013-14 and future years and this has been reflected in the 2013-14 estimates. £5,000 of this will be placed in an earmarked reserve to fund further costs that may arise.

2012-13 FINAL OUTTURN	(3,239,681)
UNPLANNED TRANSFERS TO/(FROM) RESERVES	(98,814)
REVENUE CONTRIBUTION TO CAPITAL OUTLAY	53,319
TOTAL NET EXPENDITURE	(3,285,175)

ASSISTANT DIRECTOR FINANCE

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

Background papers used in compiling this report:

None

22 May 2013

**SCRUTINY COMMITTEE - ECONOMY
OUTTURN**

APRIL 2012 TO MARCH 2013

ORIGINAL ANNUAL BUDGET	SUPPLEMENTARY BUDGETS	VARIANCE ON CAPITAL CHARGES	REVISED BUDGET	CODE	OUTTURN	OUTTURN VARIANCE	QUARTER 3 FORECAST VARIANCE
£	£	£	£		£	£	£
(2,647,800)	43,000	0	(2,604,800)	83A1 PROPERTY & ESTATES SERVICES	(2,861,020)	(256,220)	(57,540)
72,080	7,210	0	79,290	83A2 TRANSPORTATION/CONCESSIONARY FARES	32,663	(46,627)	0
(3,361,350)	0	656	(3,360,694)	83A3 CAR PARKING	(3,581,238)	(220,544)	(227,330)
648,060	0	0	648,060	83A4 ECONOMIC DEVELOPMENT	631,344	(16,716)	18,770
288,940	0	0	288,940	83A5 ARTS & EVENTS	295,459	6,519	19,310
457,290	0	2	457,292	83A6 TOURIST INFORMATION	451,224	(6,068)	1,430
0	0	0	0	83A7 ARCHAEOLOGY IN EXETER	0	0	0
377,690	0	(6,851)	370,839	83A8 DISTRICT HIGHWAYS & FOOTPATHS	359,717	(11,123)	(7,500)
140,510	0	0	140,510	83A9 BUILDING CONTROL	65,921	(74,589)	(31,410)
146,430	0	0	146,430	83B1 LAND DRAINAGE	198,491	52,060	20,000
0	0	0	0	83B2 ADMINISTRATION SERVICE	0	0	(98,960)
0	0	0	0	83B3 DIRECTOR ECONOMY & DEVELOPMENT	0	0	0
0	0	1,034	1,034	83B4 ENGINEERING & CONSTRUCTION SERVICES	49,390	48,356	0
972,510	0	0	972,510	83B5 PLANNING SERVICES	900,420	(72,090)	(245,880)
57,300	16,000	(57)	73,243	83B6 CONSERVATION	68,750	(4,494)	(6,400)
62,640	0	(2,203)	60,437	83B7 ARCHAEOLOGICAL FIELD UNIT	32,819	(27,617)	(20,000)
75,000	0	0	75,000	83B8 MAJOR PROJECTS	22,471	(52,529)	(45,000)
(175,030)	4,850	45,807	(124,373)	83B9 MARKETS & HALLS	(180,392)	(56,020)	(75,960)
348,600	0	(966)	347,634	83C1 WATERWAYS	274,301	(73,333)	(19,190)
(2,537,130)	71,060	37,422	(2,428,648)	NET EXPENDITURE	(3,239,681)	(811,033)	(775,660)

TRANSFERS TO / (FROM) EARMARKED RESERVES

Redundancy reserve - various units	(77,744)	(58,170)
83A2 - TRANSPORTATION	(2,648)	0
83A4 - ECONOMIC DEVELOPMENT	(7,536)	0
83A5 - ARTS & EVENTS	(22,000)	0
83A9 - BUILDING CONTROL	62,005	25,480
83B1 - LAND DRAINAGE		(20,000)
83B4 - ENGINEERING & CONSTRUCTION		0
83B5 - PLANNING	(28,130)	0
83B8 - MAJOR PROJECTS	(22,471)	(30,000)
83B7 - ARCHAEOLOGICAL FIELD UNIT	(5,289)	0
83B9 - MARKETS & HALLS		0
83C1 - WATERWAYS	5,000	0

REVENUE CONTRIBUTIONS TO CAPITAL (RCCO)

83A1 - PROPERTY & ESTATES SERVICES	53,319	0
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OVERALL FORECAST EXPENDITURE FOR THE YEAR AFTER MOVEMENTS TO/FROM RESERVES	(3,285,175)	(3,690,660)
REVISED BUDGETS	(2,428,648)	(2,832,310)
ADJUSTED OUTTURN VARIANCE	(856,527)	(858,350)

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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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