

SCRUTINY COMMITTEE - ECONOMY

Date: Thursday 6 March 2014
Time: 5.30 pm
Venue: Rennes Room, Civic Centre, Paris Street, Exeter

Members are invited to attend the above meeting to consider the items of business.

If you have an enquiry regarding any items on this agenda, please contact Sharon Sissons, Democratic Services Officer (Committees) on 01392 265115 or email sharon.sissons@exeter.gov.uk

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

Membership -

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

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 meeting held on 16 January 2014.

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 16 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.

ITEM FOR EXECUTIVE

7 Cost of Living Forum - Interim Report

To consider the report of the Cost of Living Wage Forum Group.

(Pages 5 -
18)

ITEMS FOR DISCUSSION

8 Budget Monitoring Report to 31 December 2013 (3rd Quarter)

To consider the report of the Assistant Director Finance.

(Pages 19
- 28)

9 Social Enterprise Support

To consider the report of the Economy and Tourism Manager and Assistant Director Economy.

(Pages 29
- 32)

10 Exeter Business Against Crime

To consider the report of the City Centre Manager

(Pages 33
- 34)

A presentation on the work of the Exeter Business Against Crime initiative (EBAC) will also be made.

11 Christmas Market 2013

To consider the report of the City Centre Manager.

(Pages 35

12 **Update on the Exeter Visitor Strategy 2012 - 2016**

To consider the report of the Economy and Tourism Manager and Assistant Director Economy. (Pages 39 - 56)

13 **Report of the Topsham Parking Member Working Group**

To consider the report of the Topsham Parking Working Group. (Pages 57 - 60)

14 **Corn Exchange Update**

To consider the report of the Facilities and Markets Manager and the Assistant Director Economy. (Pages 61 - 66)

15 **Matford Centre/Livestock Centre Update**

To consider the report of the Facilities and Markets Manager and the Assistant Director Economy. (Pages 67 - 70)

PART II : ITEM FOR CONSIDERATION WITH THE PRESS AND PUBLIC EXCLUDED

ITEM FOR EXECUTIVE

16 **Minutes Exeter and Heart of Devon Growth Board**

To receive the minutes of the meeting held on 16 January 2014. (Pages 71 - 80)

Date of Next Meeting

The next **Scrutiny Committee - Economy** will be held on Thursday 26 June 2014 at 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.

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

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EXETER CITY COUNCIL

SCRUTINY COMMITTEE ECONOMY 6 MARCH 2014

EXECUTIVE
18 MARCH 2014

COST OF LIVING FORUM – INTERIM REPORT AND REQUEST FOR FUNDING

1. PURPOSE OF REPORT

- 1.1 This Report is submitted to establish whether:-
- 1.2 Council funding would be available to conduct and requisition specific research to further this piece of work, and;
- 1.3 Whether the extent of any available Council funding would be sufficient to cover the full cost of the proposed research.
- 1.4 That a recommendation be placed to the Executive for a decision in this respect.

2. BACKGROUND

- 2.1 Following the appointment of the Scrutiny Programme Officer in July 2013 and the Annual Scrutiny Work Programme meeting, Members of Scrutiny Committee - Economy identified the “Cost of Living” as a priority area for Scrutiny investigation.
- 2.2 The Cost of Living Forum first met on the 24th October 2013 and membership of the Forum consists of Exeter City Councillors, Exeter City Council Officers together with representatives from Exeter University, Citizens Advice Bureau, Job Centre Plus, Federation of Small Businesses, Exeter CVS, South West TUC and Devon County Council.
- 2.3 There have been two subsequent meetings of the main Forum and one in respect of the Housing Sub Group and the Wages Sub Group to date.

3. OBJECTIVES OF THE FORUM

- 3.1 The objectives for the Forum are set out as follows:-
- 3.2 To gather evidence to establish a baseline on wages and the cost of living in the City of Exeter.
- 3.3 To gather and analyse evidence on the impact that low wages and the high relative cost of living has on residents in the City (taking a broad perspective on impacts and to include Health and Wellbeing).
- 3.4 To gather and analyse evidence on particular problems (for example, the impact of students on private sector rents – do we really know what the relationship is?).

- 3.5 To explore (in partnership with a broad range of stakeholders) strategies and solutions to problems identified following the gathering of evidence for this Forum.

4. THE KEY ISSUES TO DATE AND WHAT THE FORUM HAS ACHIEVED SO FAR

- 4.1 The three main Forum meetings to date have provided a large remit for discussions through which numerous salient issues have been identified. Discussions have ranged (in subject matter) from the Living Wage, to business rates, zero hours contracts, premises costs and the definition of poverty.
- 4.2 The Forum has also heard from external guests such as a management representative from the national firm LUSH (who currently pay the Living Wage to their employees in London) and an Exeter City Council employee in receipt of a low wage.
- 4.3 Various information and statistical data has been sourced by Forum Members and discussed at the Forum meetings. However, the accuracy of the data is questionable and not exclusive to Exeter or Exeter residents and this presents an obvious difficulty for the Forum as it cannot, therefore, base informed recommendations on unreliable or inaccurate research data.
- 4.4 For the purposes of this report, it would not be helpful to provide Members with exhaustive copies of minutes taken at the Forum meetings, but to distil the issues to their simplest form. The Forum has identified two main areas which should form the main focus for research and where, it is anticipated, the Council could potentially make an impact following the conclusion of the Forum and its final recommendations.
- 4.5 These priority areas have been identified as **Housing** and **Wages**.
- 4.6 Subsequently, two working “sub groups” were created from the existing Forum Members to consider these particular areas.
- 4.7 The Housing Sub Group identified the following areas for specific research and consideration:-
- *What is the housing need and demand in Exeter and how do they differ?*
 - *How do we measure that and how do we use this measurement?*
 - *Are we meeting need?*
 - *How is housing functioning in Exeter and how can we improve it?*
- 4.8 The Wages Sub Group identified the following areas for specific research and consideration:-
- When the economy starts to recover, and businesses start to do better, what influence will the Council have to make sure that this is passed through to wages?
 - The Forum need more accurate wages data (relevant to Exeter and Exeter residents) that is presented in a more “broken down way”.
 - Do zero hours contracts work for people?
 - What is the real impact of low pay?
 - What is the cost of low pay to the City, economy and local services?

- What are the pro's and con's of the Living Wage?
- Provide employers with evidence as to why it would be good for them to introduce the Living Wage.
- Obtain research evidence to establish household income in comparison with the Living Wage.
- Possibly survey a section of Exeter residents – do they work in Exeter? How many are paid below the Living Wage?
- What are the negative impacts of low pay on businesses, individuals and the public sector?
- Survey businesses to find out their overheads and running costs and their thoughts around wages – particularly paying higher wages and the impact that this may have.
- A joint annual survey on earnings in conjunction with Exeter University and Citizens Advice Bureau? A regular review of the position.

5. THE CURRENT POSITION OF THE FORUM AND EXETER UNIVERSITY'S RESEARCH PROPOSAL

- 5.1 Following on from the Housing and Wages Sub Group meetings and the last main Forum Meeting (on the 31st January 2014), it is clear that detailed and accurate research is required within the specific areas of Housing and Wages, without which, it would be inappropriate for the Forum to make recommendations to its parent Committee as to how the Council could influence such issues in a positive way.
- 5.2 The success of Council policy and decision making, is, by its very nature, reliant upon sound information being provided at the outset in order that a basis for a balanced and informed view may be reached enabling sound policies to be invoked and good decisions to be reached.
- 5.3 With this in mind, the Forum requested that Exeter University (which is represented on the Forum) prepare and present a Research Proposal and Costing for Committee consideration.
- 5.4 A copy of this Research Proposal is attached to this Report.
- 5.5 The main question which Members may wish to ask is:-

“How much research do we need and what do we want to achieve?”

In order to answer this, Members will need to consider what the Cost of Living Forum recommends by way of requirements:-

- ***A clear set of indicators in which the Council can be confident - a “Cost of Living dashboard” which can be used to inform policy making and decisions.***
- ***A baseline of information on indicators.***
- ***A methodology for continuing to collect information so that future trends can be measured and so that Council policy making and decisions.***

6. HOW MUCH WILL THE RESEARCH COST?

- 6.1 The global cost of the research is £12,400.00.
For ease of reference the breakdown on research costing is detailed below:-

	Indicative Cost ¹
Inception meeting	£325
Policy/literature review	£1,500
Data analysis	£1,050
Interim briefing report	£1,500
Interim meeting	£325
Telephone interviews	£2,100
On-line consultation	£950
Consultation event	£1,300
Final report writing	£2,250
Administration and editing	£500
Project management	£350
Total days	£12,400

¹ Total costs reflect the different day rates (seniority) of researchers assigned to each task.

7. ARE EXTERNAL PARTNERS TO THE FORUM PREPARED TO CONTRIBUTE?

- 7.1 External partners to the Forum are being approached by the Scrutiny Programme Officer to enquire as to whether or not they could or would be prepared to contribute to the cost of this research. An update in this respect will be available at the Scrutiny Economy Committee Meeting on the 6 March 2014, by which time there is an expectation that responses will have been received.

8. HOW LONG WILL THE RESEARCH TAKE TO COMPLETE?

- 8.1 Exeter University has indicated that if the research stages were to run consecutively the entire research study would take between 6 to 8 weeks to deliver. It is suggested that a more compressed study where the research stages run simultaneously could be delivered in around 4 weeks. In either scenario, the interim briefing report could be delivered after 3 weeks.
- 8.2 Therefore accurate research evidence could be available within a relatively short period of time given the expertise and assistance of Exeter University.

9. BENEFITS OF RESEARCH

- 9.1 The proposed research would be able to identify whether the following benefits are feasible:-

A positive influence on Council policy decisions in respect of Housing and Economy and in particular:-

- Encouraging other employers to adopt the Living Wage.
- Driving up economic spend within the City if businesses are persuaded to adopt the Living Wage.
- By persuading employers to pay the Living Wage this could potentially decrease the burden on the State and the tax payer.
- To ascertain if improvements are possible in respect of the Council's Housing Policy to increase affordability of housing thereby assisting Exeter residents. (Note: this should be considered in tandem with the current, separate research which is being undertaken on Housing Need).
- Providing good, reliable statistical information which will provide a sound basis for Council decisions in relation to investment.
- The results of the proposed research could be available to feed into and influence the 2014/2015 Scrutiny Work Programme.

10 THE PROPOSAL AND RECOMMENDATION

- 10.1 That the Research Proposal and Costing provided by Exeter University be submitted to the Executive with a request for approval for funding either in whole or part.

COST OF LIVING FORUM Councillor Denham

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

Background papers used in compiling this report:

None

26 February 2014

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A proposal to

**Exeter City Council
Cost of Living Forum**

Produced by Marchmont Observatory
University of Exeter

January 2014

CONTENTS

1. Introduction	3
2. Research objectives and research questions	3
3. Methodology	4
4. Indicative budget	7
5. Indicative schedule	7

1. Introduction

Exeter City Council's Cost of Living Forum has asked Marchmont Observatory to set out an approach to researching the cost of living research in Exeter. The requirements for the research are set out in a scoping document and project plan published by the Forum. Specifically, the research is needed to help:

- To better inform (through the gathering of evidence and multi-agency/organisation participation) the City Council, and other agencies involved, of the difficulties faced and possible solutions relating to the Cost of Living, in direct relation to regional wages in contemplation of existing Policies and any proposed Policy changes.
- To improve and enhance the collaborative effort on a cross agency and organisational basis, against continual reduced funding for the public sector.
- To provide innovative ways in which to tackle the difficulties faced by Exeter residents in direct relation to the Cost of Living and reduced public sector funding.
- To build relationships with cross agency partners, organisations and stakeholders, to provide an opportunity to discuss the issues and provide practical coping strategies and/or solutions (for example, to discuss with local businesses the Living Wage and associated issues with a view to encouraging local businesses to adopt the Living Wage).

This document has been prepared to help the Cost of Living Forum refine their specification for the work and, as such, is offered as a “discussion piece”. Contained herein, as directed, are a set of research questions to underpin and guide the work, a recommended methodology and indicative costs and timescale. This document is not a formal research tender although we would of course be delighted to produce a more detailed proposal should the Forum wish to consider us for the work.

2. Research objectives and research questions

The Scoping Document sets out a series of key objectives for the research:

- To gather evidence to establish a baseline on wages and cost of living in the City of Exeter.
- To gather and analyse evidence on the impact that low wages and high relative cost of living has on residents in the City of Exeter (taking a broad perspective on impacts and to include Health and Wellbeing)
- To gather and analyse evidence on particular problems (for example, the impact of students on private sector rents – do we really know what the relationship is?)
- To explore (in partnership with a broad range of stakeholders) strategies and solutions to problems identified following the gathering of evidence for this Forum.

We suggest that these objectives give rise to following research questions:

1. What is meant by the terms “cost of living”, “low income” and “affordability” and how are these concepts operationalized and measured at the local level? How significant is housing within household budgets? What are the opportunities and challenges for enhancing measurement of these key concepts locally?
2. How ‘affordable’ is Exeter compared to other areas overall and specifically with respect to private and social housing? Which localities and personal and household characteristics are most commonly associated with low levels of housing affordability?
3. What are the consequences of low housing affordability for individuals and households, businesses and communities? What are the main challenges in addressing them?
4. What are the opportunities and challenges for local action? What adoptable best practices are evident elsewhere?

In addition, partners have expressed a desire to explore two themes in further detail: the impact of students on private sector rents and the potential impact of a “Living Wage” on household incomes and the wider economy. Thus, the research will also address the supplementary questions:

5. “How, and to what extent, does demand for student housing affect private sector rents [for non-students]?”
6. “What costs and benefits would adoption of a “Living Wage” confer on household incomes and the wider economy?” How could the City Council promote benefits to businesses?

3. Methodology

The objectives of the proposed study specify the need to “gather and analyse evidence” but also, importantly, “to explore strategies and solutions in partnership with a broad range of stakeholders”. Our suggested methodology therefore is highly collaborative in orientation and would seek to engage local stakeholders in the selection of baseline indicators, identification and discussion of the main challenges and how these are played out locally, and their perspectives on opportunities for local action. This highly participative approach will help bring local partners to a shared understanding of local problems and facilitate movement towards an agreed way forward.

We suggest a two-step approach:

- Desk research resulting in the publication of a policy briefing containing Exeter baseline information and an overview of the issues and opportunities for local action.
- Original research with local stakeholders to provide local context, explore emerging local issues in more detail (example, the impact of students on the housing market) and ‘sound-out’ potential local approaches.

Ideally, these lines of enquiry would run consecutively so the scope and focus of the participative (second) stage can be informed by the former. However, they could run simultaneously if timescales did not permit this.

3.1. Stage One: Desk research

Document Review

We suggest that the project should start with a thorough review of local strategy documents and existing research and analyses that contain findings relevant to this project. This initial stage of the research would provide a solid foundation for subsequent investigations and would need to gather information on:

- Definitions and methodological approaches to the measurement of key concepts relevant to the study. Local sources of information on these concepts will be identified and evaluated for ‘fitness for [this] purpose’.
- Spatial patterns of housing affordability and the characteristics of individuals and households who can least afford housing. The consequences of housing unaffordability for individuals and households, and employers and wider economy and society will be identified.
- Approaches to implementing a local “Living Wage” rate and exploration of potential impacts¹.
- The impact of students on the local housing market, in particular, the private rental market, and
- Finally, the opportunities and challenges for local action will be identified from existing research and strategy and policy documents. This will include the identification of good practice from other local authorities (especially from ‘comparator’ authorities such as Norwich and Ipswich).

Anticipated sources of information include:

- Centre for Cities
- Resolution Foundation
- Building and Social Housing Foundation
- Joseph Rowntree Foundation
- Child Poverty Action Group
- Oxfam
- Greater London Authority
- Local Government Association

Data analysis

In order to establish a “baseline for Exeter” the project would need to incorporate analysis of published data on local incomes, living costs, housing demand and supply, and housing affordability. We anticipate that the following data sources will be useful for this purpose although other sources are also likely to emerge from the research review:

- *Annual Survey of Hours and Earnings (ASHE)* for local and comparator wage rates;
- *Department for Communities and Local Government for statistics* on affordable housing supply, council tax, rents, deprivation, the housing market, social housing waiting lists and homelessness.

¹ Islington, York and Brighton Councils have been identified as potential sources of good practice in this regard.

- *ONS 2011 Census* data for statistics on overcrowding, household composition and occupations. This is available for small geographies allowing a fairly detailed examination of local conditions.

Briefing of interim findings

Following the initial research and data review, we suggest that an interim report or ‘policy briefing’ would help refine the scope and focus on the qualitative stage of the research, and crucially, this will highlight the main findings from study so far and make recommendations for the scope and focus for subsequent interviews and consultation.

3.2. Stage two: Interviews and consultation

Telephone interviews

There will be a range of organisations and individuals across Exeter that will have perspectives and aspirations and that should feed into the research. It is important that these perspectives are both heard and reflected in the study. We recommended gauging the views of:

- Exeter City Council’s Cost of Living Forum
- Employers and employer Networks (e.g. Federation of Small Businesses, the Chamber of Commerce and the Confederation of British Industry).
- Private Sector Landlords and Social Housing Providers
- Estate and letting agents
- University of Exeter accommodation office
- Jobcentre Plus and other employment services providers (e.g. Prospects and Working Links)
- Citizens Advice Bureau
- Trade Unions
- Other local authorities demonstrating adoptable good practice

Our indicative budget provides for 12 telephone interviews. The project sponsors may also wish to consider utilising existing networks, forums and committees to gather feedback from particular interest groups, for example, employers and residents experiencing low housing affordability.

On-line survey

We also recommend creating an on-line survey, open to all interested parties, from Members to Councillors, residents, the business and community sector and other stakeholders within the housing sector, as a vehicle for submitting perspectives and recommendations. The template for this could follow a similar approach to the aide memoir used for the telephone interviews and would allow for respondents to provide detailed responses to all or some of the questions, depending on their area of knowledge and expertise.

Consultation event

The forum might also consider hosting a consultation event towards the end of the project to present the project’s findings but also, more importantly, to allow local stakeholders to debate, agree, and prioritise local action. This could be a dedicated event or be incorporated into an existing partnership.

4. Indicative budget

We suggest an that indicative budget of £12,400 (excluding VAT and expenses) would be required to carry out the research as specified in this document. This is broken down broadly into:

- Project management, meetings and administration £1,500
- Stage 1: Document review, data analysis and briefing report £4,050
- Stage 2: Interviews, consultation and final report £6,600

In more detail, an indicative allocation and cost by task is as follows:

	Indicative Cost ²
Inception meeting	£325
Policy/literature review	£1,500
Data analysis	£1,050
Interim briefing report	£1,500
Interim meeting	£325
Telephone interviews	£2,100
On-line consultation	£950
Consultation event	£1,300
Final report writing	£2,250
Administration and editing	£500
Project management	£350
Total days	£12,400

5. Indicative schedule

Scheduling and timing would depend on the date of commissioning and whether the two research stages were run simultaneously or consecutively with the latter being the preferred option.

If the research stages were run consecutively we envisage, given the research allocations given above, the entire research study would take between 6 to 8 weeks to deliver. A more compressed study with the research stages run simultaneously could be delivered in around 4 weeks. In either scenario, the interim briefing report could be delivered after 3 weeks.

² Total costs reflect the different day rates (seniority) of researchers assigned to each task.

Contact:

**Hilary Stevens
Marchmont Observatory
University of Exeter
Rennes Drive
Exeter
EX4 4RN**

**01392 264850
Hilary.j.stevens@exeter.ac.uk**

EXETER CITY COUNCIL

SCRUTINY COMMITTEE - ECONOMY 6 MARCH 2014

BUDGET MONITORING REPORT TO 31 DECEMBER 2013

1. PURPOSE OF REPORT

1.1 REVENUE BUDGET MONITORING

This report advises Members of any material differences by management unit to the revised budget.

1.2 CAPITAL BUDGET MONITORING

Budget monitoring updates in respect of the Economy and Development Capital Programme are incorporated into this report, which is prepared on a quarterly basis, in order to improve financial reporting to this Committee and help to provide a more comprehensive financial update in respect of the Scrutiny Committee – Economy budgets.

1.3 AREAS OF BUDGETARY RISK

Potential areas of budgetary risk are also highlighted in this report, so that Members are aware that certain budgets have been identified as being vulnerable to factors beyond the control of the Council, which may result in potential deviations from budget, and are therefore subject to close monitoring by officers.

2. REVENUE BUDGET MONITORING TO 31 DECEMBER 2013

2.1 The current forecast suggests that net expenditure for this committee will increase from the revised budget by a total of £57,390 after transfers from reserves and revenue contributions to capital, as detailed in Appendix 1. This represents a variation of 3.22% from the revised budget. This includes supplementary budgets of £298,110. Capital charges have been deducted from this to provide the total budget for management accounting purposes.

2.2 The current forecast variance represents an increase in expenditure of £57,390. The significant variances are:

MU Code	Management Unit	Over / (Underspend)	Detail
83A1	Property & Estates Services	(45,680)	<ul style="list-style-type: none"> Additional income from property portfolio - High Street, Guildhall and Commercial Road offset by a shortfall at South Street, Cowick Street and Paris Street. Void allowance used to offset shortfall at Paris Street, Cowick Street and South Street. Additional income from Custom House rent. Underspend projected on utilities and sub contractor budgets. Contracts Unit incorporated into Property Management Team and the associated budgets transferred. Redundancy costs arising from the deletion of the Contract Development Manager and Contract Support Officer posts.

MU Code	Management Unit	Over / (Underspend)	Detail
83A3	Car Parking	(67,620)	<ul style="list-style-type: none"> Income from parking fees is now expected to meet or slightly exceed the budget. Some additional income from other charges will exceed the budget. An underspend on the AIM budget will be used for an RCCO (Revenue Contribution to Capital Outlay) in respect of works required at King William Car Park (previously known as Leighton Terrace.) Pay will exceed the budget as a result of the realignment of duties within the Public Realm services.
83A4	Economic Development	15,550	<ul style="list-style-type: none"> Additional salary costs – transfer of staff member, additional costs offset by saving in Resources committee. Christmas Lights core budget - approved by Executive. BID budget expected to be underspent at year end – request to carry forward to fund 2014-15 expenditure.
83A9	Building Control	(31,300)	<ul style="list-style-type: none"> Additional income – from Building Control fees anticipated. Reserve – the surplus will be transferred to the earmarked reserve. Redundancy costs arising from the deletion of the Building Control Manager, Land Charges and Records Officer and Assistant Land Charges and Property Records Officer posts.
83B4	Engineering and Construction Services	0	<ul style="list-style-type: none"> Redundancy costs arising from the deletion of the post of Project Architect. Savings in salaries due to vacant and deleted posts.
83B5	Planning Services	158,800	<ul style="list-style-type: none"> Planning fee income – projected to be significantly less than budget for year Salary savings – saving on salary budget due to non-recruitment to vacant posts Redundancy costs arising from the deletion of Planning Office Manager and Technical Officer posts. Eastern Fields expenditure. Revenue contribution – Contribution to Cowick Street Environmental works capital scheme. Additional expenditure – Habitats Assessments, Community Infrastructure Levy and Local Development Framework. Reserve – transfer from earmarked reserve to cover additional expenditure.
83B7	Archaeological Field Unit	34,040	<ul style="list-style-type: none"> The variance reported relates to the cost associated with the completing of archiving and boxing work in respect of the AFU. A redundancy payment will occur as a result of the Finds and Archives Officer post being deleted. A transfer from the designated earmarked reserve will be made to cover costs.

MU Code	Management Unit	Over / (Underspend)	Detail
83B8	Major Projects	(45,000)	<ul style="list-style-type: none"> Budget saving - The bus and coach station project has not progressed as anticipated this year to date which has substantially reduced the need for consultancy advice.
83B9	Markets & Halls	(67,630)	<ul style="list-style-type: none"> Additional income – Corn Exchange and Livestock Centre income expected to exceed budget. Additional Expenditure – Event promotion at Corn Exchange (offset by additional income) and additional expenditure on food and drink at venue.
83C1	Waterways	11,950	<ul style="list-style-type: none"> A redundancy payment will occur as a result of a post being deleted from 1 April 2014. An overspend on consultancy costs will be met from an earmarked reserve.
83C2	Museums Service	9,210	<ul style="list-style-type: none"> NNDR in respect of RAMM – appeal with Valuation Office. Utilities at RAMM anticipated to exceed the budget. Offset by backdated NNDR refund – RAMM Central Library and S106 funding transfer. Area of Budgetary Risk – see paragraph 4 below

3 CAPITAL BUDGET MONITORING TO 31 DECEMBER 2013

To report the current position in respect of the Economy Capital Programme and to update Members with any anticipated cost variances, acceleration of projects or slippage of schemes into future years.

3.1 REVISIONS TO THE ECONOMY AND DEVELOPMENT CAPITAL PROGRAMME

The 2013/14 Capital Programme, including commitments brought forward from 2012/13, was last reported to Scrutiny Committee – Economy on 14 November 2013. Since that meeting the following changes have been made to the programme:

Description	£	Approval/Funding
Capital Programme, as at 14 November 2013	2,073,340	
Budget Deferred to 2014/15 & Beyond at Quarter 2	(342,390)	Approved by Executive 10 December 2013
Budget movement from Scrutiny - Community	820,310	
Canal Banks Repairs and Strengthening	40,000	Originally included in 2014/15 Capital Programme but works now urgently required. Approved by delegated powers (21 January 2014). Funded by borrowing
Other	400	

Revised Capital Programme	2,591,660	
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3.2 PERFORMANCE

The current Economy Capital Programme is detailed in Appendix 2. The appendix shows a total forecast spend of £2,600,828 in 2013/14.

3.3 SCHEMES WHICH MAY BE DEFERRED TO 2014/15 AND BEYOND

Schemes which have been identified since 30 September as being wholly or partly deferred to 2014/15 and beyond are:

Scheme	Revised 13/14 Budget	Budget to be Accelerated	Reason
Canal Basin & Quayside	£103,650	(£55,000)	The boat transporter required to properly use the Haven Road boat store will be acquired this financial year rather than next year as previously expected.

3.4 ACHIEVEMENTS

The following schemes have been completed during the third quarter of 2013/14:

- **Central Station Environmental Works**

Completion of the works at Central Station sees the transformation of the station forecourt into a new urban space, attractive in its own right, which also enhances the setting of the elegant crescent-shaped 1930s station building as an important gateway to the City. This complements the newly reinstated booking hall and other recent station improvements carried out by Network Rail as part of the expected increased importance of the station as result of the planned growth in and around Exeter.

Removal of the parking has allowed the whole of the forecourt and existing pavement to be paved at the same level with high quality York stone creating a people-friendly space complementing the paving completed last year at the adjoining Northernhay Gate.

Two new bays have been formed either side of the bus bay for dropping-off and loading and the shelter replaced with a new one unobstructed by advertising panels. A distinctive design of street lights with additional lower level lamps has been installed and new trees planted where cars used to park complemented by new seating. New cycle stands have been installed and a 'Cycle Hub' (a place for cycle storage, repair and maintenance) will be opening in a vacant shop within the crescent later on this year.

4 AREAS OF BUDGETARY RISK

4.1 The table below identifies a number of areas that have been identified as a budgetary risk within the Economy and Development revenue and capital budgets.

4.2 The revenue budget areas of risk are:

Budget Title	Approved Budget	Risk
<p>Property & Estates Services – Income budgets property portfolio</p>	<p>£3,500,610</p>	<p>Income dependant on properties let and the number of properties which are void for long periods of the year.</p> <p>Leases can be renegotiated at lower rate to ensure income streams are maximized but resulting in shortfall of income against budget.</p> <p>If properties are void there will be a loss of income and the council becomes liable for the Non Domestic Rates at the property. This could result in an overspend if void period is significant.</p>
<p>Car Parks – fee income</p>	<p>£5,660,000</p>	<p>A significantly increased budget was set for 2013/14. The results have fluctuated through the first half year and currently stand at approximately £40,000 less than the budget. At this stage it appears that this shortfall will be partially offset by additional income from recharges. However, this source of income can be affected by factors outside the control of Exeter City Council and even a small shortfall in percentage terms could be significant because of the size of the budget. The income is closely monitored and updates are provided to Members and the Senior Management Team on a monthly basis.</p>
<p>Planning Services – planning fee income</p>	<p>£667,850</p>	<p>Fee income projected to be significantly lower than budgeted based on to date figures. Continual monitoring of income is being carried out by officers.</p> <p>An update on the projected shortfall will be provided to Members and the Senior Management Team on a monthly basis.</p>
<p>Revenue: Museums – utilities and National Non Domestic Rates costs</p>	<p>£2,068,440</p>	<p>The utility costs at the Museum are projected to exceed the budget.</p> <p>Officers are continually monitoring the cost of utilities and updates are being provided to the Management Team.</p> <p>The Nation Non Domestic Rates budget is projected to exceed the budget. The rateable value of the Museum increased due to the redevelopment. An appeal has been lodged with the Valuation Office, the result of the appeal should be known by the end of the financial year.</p>

4.3 The areas of risk for capital budgets are:

Budget Title	Approved Budget	Risk
Exhibition Way Bridge Maintenance	£45,000	This scheme has already been deferred from 2012/13; the delays stem from staffing issues in Engineering. Engineering advise they are shortly to obtain a quote for the works. Due to uncertainty over how succession issues are to be resolved it is not possible to say at this point in time whether the budget will be spent this year.

5 ACTION PLAN

5.1 Officers have taken the following actions to address the key areas of budgetary risk:

- An update on Planning Application Fee income is provided to Senior Management Team on a regular basis. The variance is being addressed corporately due to the factors contributing to the shortfall being uncontrollable.

6 RECOMMENDATION

6.1 That Members of Scrutiny Committee – Economy assure themselves that satisfactory actions are being undertaken by Officers to address the key areas of budgetary pressure highlighted in this report.

ASSISTANT DIRECTOR FINANCE

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

Background papers used in compiling this report

None

**SCRUTINY COMMITTEE - ECONOMY
BUDGET MONITORING**

APRIL 2013 TO DECEMBER 2013

CODE	REVISED BUDGET EXC CAPITAL CHARGES	REVENUE CONTRIBUTION TO CAPITAL	CURRENT OUTTURN FORECAST	QUARTER 3 FORECAST VARIANCE	QUARTER 2 FORECAST VARIANCE	QUARTER 1 FORECAST VARIANCE
	£	£	£	£	£	£
83A1	(2,793,210)	PROPERTY & ESTATES SERVICES	(2,838,890)	(45,680)	(63,580)	(69,400)
83A2	50,000	TRANSPORTATION/CONCESSIONARY FARES	49,000	(1,000)	(1,000)	0
83A3	(3,954,680)	CAR PARKING	(4,022,300)	(67,620)	20,000	5,170
83A4	590,010	ECONOMIC DEVELOPMENT	605,560	15,550	36,430	25,060
83A5	194,740	ARTS & EVENTS	193,250	(1,490)	0	0
83A6	448,250	TOURIST INFORMATION	443,130	(5,120)	2,480	3,170
83A8	194,120	DISTRICT HIGHWAYS & FOOTPATHS	194,120	0	0	0
83A9	120,700	BUILDING CONTROL	89,400	(31,300)	(49,080)	(5,000)
83B1	153,120	LAND DRAINAGE	153,120	0	0	0
83B4	(150)	ENGINEERING & CONSTRUCTION SERVICES	(150)	0	0	13,450
83B5	789,380	PLANNING SERVICES	948,180	158,800	157,630	127,850
83B6	119,710	CONSERVATION	119,710	0	0	0
83B7	0	ARCHAEOLOGICAL FIELD UNIT	34,040	34,040	(3,650)	0
83B8	125,000	MAJOR PROJECTS	80,000	(45,000)	(45,000)	0
83B9	(260,730)	MARKETS & HALLS	(328,360)	(67,630)	(43,980)	(22,930)
83C1	245,710	WATERWAYS	257,660	11,950	5,000	9,550
83C2	2,054,940	MUSEUMS SERVICE	2,064,150	9,210	20,250	45,420
83C3	111,560	LEISURE FACILITIES	116,990	5,430	0	0
83C4	29,660	PROPERTIES	32,340	2,680	0	0
	(1,781,870)	NET EXPENDITURE	(1,809,050)	(27,180)	35,500	132,340

VARIANCES ON TRANSFERS TO / (FROM) EARMARKED RESERVES

83C1 - Waterways	(5,000)
83B5 - Planning	(26,560)
83B7 - Archaeological Field Unit	(34,040)
83A9 - Building Control	69,170
83B8 - Major Projects	
83B9 - Markets & Halls	
REVENUE CONTRIBUTION TO CAPITAL	
83B5 - Planning	20,000
83A2 - Transportation	1,000
83A3 - Car Parking	60,000
OVERALL FORECAST EXPENDITURE FOR THE YEAR AFTER MOVEMENTS TO/FROM RESERVES	(1,724,480)
REVISED BUDGETS	(1,781,870)
ADJUSTED OUTTURN VARIANCE	57,390

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2013/14
CAPITAL MONITORING TO 31 DECEMBER 2013

	£	£	£	£	£	£
	2013/14 Capital Programme Revised for Qtr 2 Forecast Spend	2013/14 Spend to 31 December	2013/14 Forecast Spend	2013/14 Budget to be Carried Forward to 2014/15 and Beyond	2013/14 Programme Variances Under ()	£
ECONOMY & DEVELOPMENT						
KEEP PLACE LOOKING GOOD						
Canal Basin and Quayside	103,650	8,632	158,650	(55,000)	0	0
Exhibition Way Bridge Maintenance	45,000	2,975	45,000		0	0
John Lewis Car Park Refurbishment	2,330	200	2,330		0	0
King William Street Car Park (formerly Leighton Terrace Car Park) Res	96,000	90,328	96,000		0	0
Replacement of Car Park Pay & Display Machines	230,000	0	230,000		0	0
Canal Bank Repairs & Strengthening	40,000	0	40,000		0	0
Topsham Lock Leak	33,990	33,989	33,990		0	0
National Cycle Network	77,320	77,318	77,318		(2)	(2)
Security Measures for Riverside Valley Park	1,900	1,780	1,900		0	0
PROVIDE GREAT THINGS FOR ME TO SEE & DO						
Replace Running Track at Exeter Arena	375,000	0	375,000		0	0
Sports Facilities Refurbishment	45,000	9,950	45,000		0	0
RAMM Development	125,570	9,145	125,570		0	0
RAMM Off Site Store	7,050	6,859	6,860		(190)	(190)
DELIVER GOOD DEVELOPMENT						
Newcourt Community Hall (S106)	34,900	0	20,000	14,900	0	0
Newtown Community Centre	11,580	11,584	11,580		0	0
Topsham Rugby Club Improvements	50,000	50,000	50,000		0	0
Exeter Community Centre Garden	340	336	340		0	0
Countess Wear Community Centre (Grant Towards Build)	0	0	0		0	0
Newcourt Community Association Centre	34,880	1,506	34,880		0	0
Exe Water Sports Association (Grant Towards Build)	25,000	0	10,000	15,000	0	0
Exwick Ark (Grant Towards Conversion)	50,000	50,000	50,000		0	0
Devonshire Place (Landscaping)	12,500	0	5,000	7,500	0	0
Bury Meadow (Landscaping)	11,500	10,915	11,500		0	0
Ride On (Set Up Workshop/Bike Hire)	5,000	5,000	5,000		0	0
Exeter Community Centre Garden - Phase 2	16,990	16,990	16,990		0	0
St James Forum (Queens Crescent Garden)	5,000	0	2,500	2,500	0	0
2nd Exeter Scouts & Park Life ('Urban Village Hall' Heavitree Park)	7,500	0	5,000	2,500	0	0
Citizens Advice Bureau (Building Improvements)	2,500	0	2,500		0	0

2013/14
CAPITAL MONITORING TO 31 DECEMBER 2013

	2013/14 Capital Programme Revised for Qtr 2 Forecast Spend	2013/14 Spend to 31 December	2013/14 Forecast Spend	2013/14 Budget to be Carried Forward to 2014/15 and Beyond	2013/14 Programme Variances Under ()
	£	£	£	£	£
Cowick Street Environmental Works	168,480	165,026	168,480		0
City Centre Enhancements	35,150	12,931	35,150		0
Well Oak Footpath/Cycleway	59,940	54,225	59,940		0
Paris Street Roundabout Landscaping & Sculptural Swift Tower	43,740	4,345	43,740		0
Heavitree Environmental Improvements	22,880	0	22,880		0
Central Station Environmental Works	185,000	185,000	185,000		0
Ibstock Environmental Improvements	3,240	0	0	3,240	0
HELP ME RUN A SUCCESSFUL BUSINESS					
Science Park	559,570	559,568	559,570		0
WELL RUN COUNCIL					
Verney House Window Replacement	60,000	0	60,000		0
137 Cowick Street	3,160	2,851	3,160		0
ECONOMY & DEVELOPMENT TOTAL	2,591,660	1,371,453	2,600,828	(9,360)	(192)

EXETER CITY COUNCIL

SCRUTINY COMMITTEE – ECONOMY 6 MARCH 2014

SOCIAL ENTERPRISE SUPPORT

1.0 PURPOSE OF THE REPORT

- 1.1 To provide Members with an overview on the performance of social enterprises that have set up through Exeter Business Support, and the contribution they make to the economy of Exeter.
- 1.2 To recommend ongoing short term support for social enterprises through Exeter Business Support.

2.0 BACKGROUND

- 2.1 The scope and role of Exeter Business Support was expanded in April 2010 to cover support for social enterprises, with the aim to bridge the gap in support for developing social enterprises in Exeter. Social enterprises are businesses that principally have social objectives, with any surpluses achieved ploughed back into the business or the local community.
- 2.2 Exeter Business Support provides free professional advice and guidance to support the start up and early survival of small businesses and social enterprises in Exeter. It is a partnership consisting of Peninsula Innovations Limited (PIL), who are responsible for the management of the University's Innovation Centre, Exeter College Business School, and the Fruit Tree for Business. The Fruit Tree for Business is contracted to deliver support to new or existing social enterprises in the city.
- 2.3 At Economy Scrutiny Committee January 2014 recommendation that further consideration to be given to whether funding which has enhanced support for the social enterprise sector should be continued and whether any changes should be made to the way support is delivered.

3.0 UPDATE ON THE PROVISION OF SOCIAL ENTERPRISE BUSINESS SUPPORT

- 3.1 The Heart of the South West Local Enterprise Partnership (LEP) has set up a number of Special Interest Groups, one focusing on social enterprises. The role of the LEP's social enterprise group is:
 - to provide advice and comment to the LEP board on issues that affect social enterprises
 - to champion social enterprises
 - to act as a consultation body on the LEP's European Structural and Investment Fund and the Strategic Economic Plan

This Special Interest Group is open to all social enterprises based within the LEP area.

- 3.2 Business support is provided through the (LEP) www.business-supportsw.com. This scheme was launched in September 2013 and support is primarily aimed at people and businesses located in rural areas throughout Devon and Somerset. However if a social enterprise is located in Exeter and requires this support and advice, they can only access this service, on the condition that they are a user of The Generator and or the Exeter Central Library Enterprising Libraries project.

The Generator, part of the Devon Work Hub, has affordable and flexible accommodation with access to resources in the area of marketing, research, development, branding and PR from in-house 'entrepreneurs'.

Devon County Council's library service is delivering a new scheme that will enable the redeveloped Central Library in Exeter to include a new Business and Intellectual Property Centre when it reopens Spring 2014. The Enterprising Libraries programme will aim to support small businesses, entrepreneurs and inventors with access to information to develop their businesses across a range of industries. Trained library staff will provide advice and support.

- 3.3 The Dartington School for Social Entrepreneurs provides training and opportunities that enable people with entrepreneurial ideas to achieve positive change in their community. The school was launched in January 2010 and is one of ten international schools and focuses on a 'learning by doing' approach, achieving this by inviting people to come in and share their knowledge with interactive sessions.

The school invites experts on finance, pitching, marketing, legal structures, impact evaluation and funding applications to come in and share their experiences and to pass on their knowledge.

- 3.4 During 2013 the Exeter Chamber of Commerce recognised ESSENCE as one of their official working groups as a network for social enterprises, co-operatives and social businesses. The overall purpose is to develop member businesses and the sector.

4.0 CITY COUNCIL SUPPORT

- 4.1 To assist in the review of support for social enterprises The Fruit Tree For Business has provided a detailed breakdown of support provided over the period of their contract. The table below summarises outputs secured, turnover and additional funds levered.

- 4.2 The table shows that over the four year period of the contract (still awaiting figures for Feb & Mar 2014):

- 168 social enterprises received advice
- From the above, 32 social enterprises were set up which created 31.8 jobs with a combined turnover of £1,759,120

Of the 32 social enterprises assisted to help set up 8 are no longer trading, with 5 unknown if they are still trading and 1 moved out of Exeter. It can be confirmed that 18 businesses have been set up and based in Exeter as a result of the support.

Of the 37.3 jobs created 9 are no longer employed, 3 jobs are unknown and 0.1 jobs has moved away. It can be confirmed that 25.2 jobs have been created in Exeter as a result of the City Council support for social enterprises.

	April 2010 – March 2011	April 2011 – March 2012	April 2012 – March 2013	April 2013 – January 2014
Total number of enquiries received through Exeter Business Support for social enterprises	65	80	97	64
Number of social enterprises that have received advice through Exeter Business Support	41	38	50	39
Number of social enterprises that Exeter Business Support have helped set up	10	8	8	6
Number of social enterprise jobs initially created through the businesses help set up	14.9	9.6	4.6	2.7
Number of additional social enterprise jobs created through the businesses help set up	1	4.5	0	N/A
Anticipated first year turnover of businesses help set up	£667,200	£386,000	£211,975	£173,200
Actual first year turnover	£396,013	£220,145	£73,444	N/A
Actual second year turnover	£352,947	£355,071	N/A	N/A
Actual third year turnover	£361,500	N/A	N/A	N/A
Total actual turnover	£1,110,460	£575,216	£73,444	N/A
Additional funding leveraged	£4,572	£80,600	£3,000	£88,172
Number of social enterprises help start up and assisted that are still trading	5	5	5	3

5.0 PROPOSAL

5.1 From the outputs achieved in terms of new social enterprises set up and jobs created it is felt that the original aim of supporting and developing the sector has been achieved, but some support should continue for the short term.

5.2 It is recognised that changes and reductions in public sector funding will continue to affect the continued delivery of valued public sector services. If the potential alternative model of service delivery through social enterprise or a similar organisational structure is to be pursued, support for their development could be channelled towards community groups and others with the desire to run public sector services.

Social enterprises or organisations with similar formalised structures are considered to have the potential to provide alternative means for delivering such services at, for example, the level of communities or partnerships formed for this purpose.

5.3 It is therefore proposed that the contract with The Fruit Tree For Business be extended for a period of 3 months to 30 June 2014:

- to allow for continued support to the sector whilst alternative options for ongoing support are considered
- to map existing and proposed support
- to discuss with neighbouring district councils whether there is merit in combining

or coordinating support for social enterprises

6.0 FINANCIAL IMPLICATIONS

6.1 The cost to the City Council to fund this proposal for the period 2014 – 2015 will be £6,250. The funding will be met from the Economic Partnerships Initiatives Budget.

7.0 RECOMMENDED

7.1 That Scrutiny Committee supports the City Council in continuing to fund business support for social enterprises up to 30 June 2014 and that officers be authorised to negotiate a service level agreement for this period of time with Fruit Tree For Business.

7.2 That officers consult with neighbouring local authorities on the provision of support for social enterprises and that work continues to determine how best to support the sector going forward.

**VICTORIA HATFIELD
ECONOMY & TOURISM MANAGER**

**RICHARD BALL
ASSISTANT DIRECTOR ECONOMY**

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

EXETER CITY COUNCIL

SCRUTINY COMMITTEE – ECONOMY 6 MARCH 2014

EXETER BUSINESSES AGAINST CRIME

1. PURPOSE

- 1.1 At its meeting on 6 March, Scrutiny Committee – Economy will receive a presentation on the work of Exeter Businesses Against Crime (EBAC). This brief report gives a brief overview of EBAC and sets out key data on membership levels/crime reports as useful background for the presentation.

2. BACKGROUND

- 2.1 Exeter Businesses Against Crime was launched in March 2006, with the 'Pubwatch' scheme being incorporated in to EBAC in the same year.
- 2.2 EBAC is primarily focused on the City Centre and tasked with 'reducing business crime', more specifically on tackling both shoplifting and anti-social activity and crime.
- 2.3 EBAC interfaces with other business crime partnerships across the southwest and beyond.

3. SUMMARY OF WORK

- 3.1 Current EBAC membership stands at 111, with Pubwatch membership standing at 42. Membership has shown a slight increase since launch, with membership levels as follows:
- Launch – EBAC 105/Pubwatch 31.
 - 2012 – EBAC 106/Pubwatch 40.
 - 2013 – EBAC 107/Pubwatch 43.
 - 2014 – EBAC 111/Pubwatch 42.
- 3.2 Incident reports are collected from EBAC members and these provide a sound indicator of progress in driving down business crime. Incident report statistics are set out below:
- Launch – 1464.
 - 2012 – 630.
 - 2013 – 453.
- 3.3 EBAC has a close interface with the City Council's CCTV Control Room, Police, Guildhall Shopping Centre & Princesshay security teams and individuals businesses.
- 3.4 Management of EBAC is undertaken by Anthony Couch, Business Crime Manager, who in turn reports to the City Centre Manager.

4. FINANCIAL IMPLICATIONS

- 4.1 EBAC is self-funding, with operating costs met through membership fees.

4.2 EBAC made a financial surplus in 2010/11 (£3,018.27), 2011/12 (£3,474.36) and 2012/13 (£3,471.82) and it is anticipated a surplus will again be made in 2013/14. The financial surplus has been ploughed back in to year-on-year scheme development – creating a sound foundation for continued membership growth.

5. RECOMMENDATION that:

5.1 Scrutiny supports the on-going work of EBAC and notes the significant contribution EBAC makes to reducing levels of both business crime and anti-social behaviour.

**JOHN HARVEY
CITY CENTRE MANAGER**

ECONOMY DIRECTORATE

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

EXETER CITY COUNCIL

SCRUTINY COMMITTEE – ECONOMY

6 MARCH 2014

2013 CHRISTMAS MARKET

1. PURPOSE

- 1.1 This brief report sets out key issues arising from the 2013 Christmas Market, reviews the impact of the market and identifies key issues for 2014.

2. BACKGROUND

- 2.1 Negotiations on a City Centre Christmas Market commenced in early 2012, with the first Exeter Cathedral Christmas Market in November/December 2012. The Cathedral Christmas Market is operated by Market Place Europe Limited (MPEL), with a five-year market contract between the Cathedral and MPEL.
- 2.2 Year one of the market saw 55 stalls, growing to 70 stalls in 2013. 2012 saw a high percentage of total stalls occupied by food operators; a better balance between food and 'craft' stalls was achieved in 2013. 2013 also saw an increase in the number of local and South West craft stalls, with an objective being to increase this number still further in 2014.
- 2.3 The area of Cathedral Green covered by the market was increased in 2013, with planning consent now in place to allow for further expansion of the market in 2014 through to 2016 (the final market during the current Cathedral/MPEL contract).
- 2.4 The 2013 Cathedral Christmas Market was supplemented by one-off specialist markets operated by the City Council in Castle Street and Fore Street and by the regular street food and craft market run in the Guildhall Shopping Centre.
- 2.5 The Cathedral Christmas Market has recently been awarded the title of "Best Speciality Market in the UK" by the National Association of British Market Authorities.

3. IMPACT

- 3.1 Market Place Europe estimates that the number of visitors to the Christmas Market was 500,000 – a 40% increase on the estimate for 2012. It is significant that Market Place reported visitors from a wide catchment area, with a number of individuals and tour operators visiting Exeter instead of other established Christmas Markets, most notably Bath. Increasing the size of the market ensured that the market became another key feature of the city's pre-Christmas offer and that visitors stayed for as long a period as possible.

- 3.2 The appeal of the market as a key city centre destination caused some challenges – specifically in relation to congestion at peak times in some areas of the market. To ensure the market continues to attract more visitors to the city year-on-year, changes to stall layout will be necessary to alleviate such problems in future years.
- 3.3 Whilst it is important that the Christmas Market sees a year-on-year growth in visitors it is clearly of importance that the market contributes to a city centre that also sees year-on-year improvements in the number of visitors and atmosphere. Analysis of national footfall information suggests that national town and shopping centre footfall was down in 2013 against 2012, with a drop of an average of 3% during the 5 weeks pre-Christmas. Against a national picture that remains relatively downbeat, it is welcome that in Exeter, footfall analysis for Princesshay and Guildhall Shopping Centres shows an increase of 1.75%.
- 3.4 It remains clear that, whilst footfall figures for Exeter are encouraging, the position of Exeter alongside other town and city centres is one where there remain no grounds for complacency and where external factors such as poor weather can have a devastating impact on trading performance. It is noticeable that during week 51 (final week of the Christmas Market) footfall was particularly weak – this was due to heavy rainfall for much of the week.
- 3.5 Feedback from existing businesses in the Cathedral Yard and Cathedral Close and from businesses in the central city centre area has been upbeat in relation to the contribution that the Christmas Market made to the success of the city centre during the pre-Christmas period. The reality is, however, that the contribution that the market made to the smaller specialist independent trading areas of the city centre, Gandy Street and the West Quarter in particular, was at best neutral. A clearer focus on how Christmas Market visitors can be driven more successfully in to the independent shopping areas has to be an area on which to focus in 2014.
- 3.6 Areas on which there should be a focus in 2014 are:
- Further expansion of the Christmas Market – within the areas for which planning consent was given in 2013;
 - A focus on ensuring a stall ‘mix’ that complements the offer provided by the city’s independent businesses – particularly within the areas of Fore Street, South Street and Gandy Street;
 - Examination of opportunities for ensuring day and overnight visitors’ dwell-time in the City Centre is maximised, with encouragement to visit the key independent trading areas of the City Centre;
 - Examination of market layout to ensure visitors have as enjoyable a visit to the market as possible.

4. FINANCIAL IMPLICATIONS

- 4.1 The City Council does not directly make any financial contribution to the delivery of the Christmas Market other than that of the City Centre Manager and other members of the Economy Team staffing the Visitor Information Point in the market.

5. RECOMMENDATION that:

5.1 Scrutiny notes and comments on the positive contribution made by the 2013 Exeter Cathedral Christmas Market and supports the development of the Christmas Market in 2014, with:

- Further expansion of the Christmas Market – within the areas for which planning consent was given in 2013;
- A focus on ensuring a stall ‘mix’ that complements the offer provided by the City’s independent businesses – particularly within the areas of Fore Street, South Street and Gandy Street;
- Examination of opportunities for ensuring day and overnight visitors dwell-time in the City Centre is maximised, with encouragement to visit the key independent trading areas of the City Centre;
- Examination of the market layout to ensure visitors have as enjoyable a visit to the Market as possible.

5.2 The City Council commend the Cathedral for allowing and supporting the development of the Christmas Market and the skill of the operators Market Place Europe Limited which has contributed to it being acclaimed as the Best Speciality Market in the UK.

**JOHN HARVEY
CITY CENTRE MANAGER**

ECONOMY DIRECTORATE

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

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EXETER CITY COUNCIL

SCRUTINY COMMITTEE – ECONOMY

6 MARCH 2014

UPDATE ON THE EXETER VISITOR STRATEGY 2012 – 2016

1.0 PURPOSE

- 1.1 The purpose of this report is to update members on progress with implementing the Exeter Visitor Strategy 2012 – 2016.

2.0 BACKGROUND

- 2.1 Executive approved the Exeter Visitor Strategy 2012 – 2016 in January 2012 following wide spread consultation with the tourism and hospitality industry in and around Exeter. The focus of the Strategy is on sustaining and creating quality jobs within the tourism sector and increasing the profile of Exeter as a vibrant cultural destination for short break holidays and day visits.

- 2.2 The aim of the Visitor Strategy is to:-
“Further develop the visitor economy in order to create and safe-guard employment, through the promotion and development of existing and new visitor facilities, including the Royal Albert Memorial Museum focusing on the strengths of Exeter as a regional cultural centre. The intention is to increase employment and visitor expenditure by a minimum of 5% within the lifetime of the strategy”.

- 2.3 Year on year the appeal of the city increases. Since adoption of the strategy a number of new developments and refurbishments have been completed including John Lewis, Magdalen Chapter Hotel, 2 Premier Inn hotels, University of Exeter developments, Quay Climbing Centre, Haven Banks Outdoor Educational Centre, Tuckers Hall, Central Train Station improvements, numerous restaurant and shop openings.

Future developments at the bus station site, IKEA, further hotel openings, Exeter Cathedral, Sandy Park, launch of the Exe Estuary Trail and Exeter being a Host City for the Rugby World Cup in 2015 will further improve the appeal of the city to the short break and day visitor market.

The location of the city in Devon and the huge value of that brand together with the undoubted attraction of the internationally renowned coast and countryside make it inseparable from its surroundings.

- 2.4 In 2012 there were just over 2.2 million visitor trips to Exeter, who spent £195.6 million in the local economy, the most recent comprehensive figures available, which supports an estimated 4,800+ jobs within the sectors below. The information below was gathered from the Cambridge Economic Activity model and sets out spend within sectors relevant to the visitor economy within the City. As agreed at Scrutiny Committee Economy in January 2012, data for 2011 will be used as the baseline for the Exeter Visitor Strategy.

Exeter	2006	2007	2008	2009	2010	2011	2012
Type of spend	£ million	£ million	£ million	£ million	£ million	£ million	£ million
Accommodation	£24.8	£26.9	£25.8	£25.1	£28.9	£34.1	£40.7
Shopping	£46.2	£47.1	£49.2	£47.6	£47.2	£44.1	£50.7
Food & Drink	£43.0	£44.8	£45.7	£44.6	£46.3	£44.1	£50.6
Attractions & Ent.	£16.1	£17.1	£16.8	£16.4	£16.4	£17.0	£20.4
Travel	£17.1	£18.4	£18.0	£17.5	£19.2	£19.9	£24.1
Visiting Friends & Relatives, boats, second homes	£10.3	£11.3	£9.4	£8.5	£7.7	£8.0	£9.1
TOTAL	£157.4	£165.6	£164.9	£159.7	£166.2	£167.3	£195.6
Total estimated Jobs (supported by spend)	3,616	4,004	4,111	3,767	3,898	3,947	4,822
Overnight trips	383,000	392,000	369,000	360,000	442,000	453,000	445,000
Day visitor trips	1,580,000	1,576,000	1,611,000	1,568,000	1,539,000	1,688,000	1,818,000

- 2.5 The figures for neighbouring districts show much larger numbers of people visiting the wider area who need to be attracted into the city. The reduction in overnight stays emphasises the importance to promote Exeter and highlight the city more as a short break destination within Heart of Devon and not rely too heavily on neighbouring areas. But it is still important to continue to work effectively with the wider area to support Exeter's economy.

In the wider area in 2012 of East Devon, Mid Devon and Teignbridge, the visitor economy had recovered to be worth just over £649.2 million, supporting over 17,000 jobs in the area as shown in the table below.

East Devon, Mid Devon & Teignbridge	2007	2008	2009	2010	2011	2012
Type of spend	£ million	£ million	£ million	£ million	£ million	£ million
Accommodation	£114.9	£94.9	£112.3	£91.6	£92.5	£105.3
Shopping	£136.4	£80.9	£142.1	£134.7	£130.2	£139.4
Food & Drink	£173.6	£166.4	£182.1	£173.1	£190.3	£205.7
Attractions & Ent.	£63.2	£57.9	£64.9	£59.1	£67.4	£71.8
Travel	£83.4	£75.7	£84.9	£78.5	£87.6	£98.4
Visiting Friends & Relatives, boats, second homes	£32.7	£28.1	£25.8	£24.1	£23.8	£28.6
TOTAL	£604.2	£503.9	£612.1	£558.1	£591.8	£649.2
Total estimated Jobs (supported by spend)	16,583	15,124	16,192	14,800	15,145	17,377
Overnight trips	1,588,300	1,351,700	1,559,000	1,300,300	1,338,000	1,353,000
Day visitor trips	5,974,000	5,995,000	6,328,000	6,437,899	9,247,000	9,745,000

3.0 PROGRESS TO DATE

- 3.1 The following five priorities of the strategy were agreed to be implemented in partnership with the tourism business community in the city and the Heart of Devon Tourism Partnership:

3.1.1 Priority 1 - Encourage and support market led investment in the visitor economy in Exeter; encompassing retail, food & drink, the arts, visitor attractions, accommodation and transport

3.1.2 Priority 2 - Develop the visitor experience within Exeter to make the most of existing assets, individually and jointly and so that the sector provides year

round jobs and contributes to a vibrant economy

3.1.3 Priority 3 - Raise skill levels of the existing visitor workforce and prepare those with the potential for entering employment in the sector

3.1.4 Priority 4 - Develop more effective and targeted visitor marketing of Exeter locally, regionally, nationally and internationally

3.1.5 Priority 5 - Build on work already undertaken to further develop the Heart of Devon Tourism Partnership, to secure additional funding, implement additional marketing of the area and broaden its business development activities

3.2 An overview of progress and outputs achieved made during 2013, against the priorities, is listed in Appendix 1.

4.0 HEART OF DEVON TOURISM PARTNERSHIP

4.1 Realising the tourism potential of the city goes hand in hand with exploiting opportunities presented within Exeter and the wider area which make up the tourism attraction to visitors. It has always been recognised that the key is to have a concerted effort to minimise duplication and where possible, pool resources and maximise promotion through an integrated approach.

4.2 Neighbouring local authorities contribute to visitor promotion in a variety of ways, Teignbridge choosing to financially support another Area Tourism Partnership covering South Devon, and East Devon not supporting any local promotional activity. As the City Council supports other activities which contribute to the visitor experience the neighbouring districts choose to fund the development and management of the product offering, such as maintaining the public rights of way network, beach management and visitor facilities.

4.3 As mentioned within this report, Exeter has secured approval to be one of the Host Cities for the Rugby World Cup 2015 – a once in a lifetime opportunity for the city. All promotion through England Rugby, the IRB and Visit England will be about promoting Exeter as a Host City. Exeter needs to embrace Host City status and proactively promote this, locally, regionally and internationally to increase visitor trips and spend and inward investment into the city.

4.4 As ever it is important to ensure that promotional work undertaken through the Heart of Devon Tourism Partnership gives due prominence to the name Exeter and that it is featured highly within all marketing material, including - press releases, printed guides, e-newsletters, themed campaigns and on the website. Therefore it is proposed to change the name of the Tourism Partnership to Exeter and the Heart of Devon.

The Tourism Partnership will continue to promote the city, coast and country offering within all marketing materials, but with more of a focus on the cultural and heritage offering provided in Exeter.

4.5 Board meetings of the Tourism Partnership occur every two months and discuss current and future planned activities, along with joint projects to be undertaken with Visit Devon and other Area Tourism Partnerships within Devon. Under the proposal to be more Exeter focused and change the name of the Tourism Partnership, the company and board of director structure would continue, but it is intended that it will include a wider range of board directors that have an interest in the city.

- 4.6 As mentioned in 2.3 there have been numerous developments within and surrounding the city. Compared to a few years ago, there is more on offer to keep people in Exeter for a weekend short break.

A particular aim of the Tourism Partnership will be to promote the area for a cultural short break holiday both regionally and nationally (and internationally where appropriate) to increase this aspect of the market.

- 4.7 As of January 2014, membership of the Partnership stands at 240 businesses, which mainly includes attractions and accommodation providers based within Exeter, East Devon, Mid Devon and Teignbridge contributing collectively to direct promotional activities through their membership fees. The table below shows the breakdown of where a member is located within the Tourism Partnership.

	Direct membership	Membership through an association	Total
Exeter	44	20	64
East Devon	56	43	99
Mid Devon	36	4	40
Teignbridge	19	3	22
Outside of the area	7	8	15
Total	162	78	240

- 4.8 The membership scheme is being revised for April 2014, to coincide with the beginning of the new membership year. An experienced sales person is being employed to grow the membership base by another 100 businesses (minimum) by recruiting additional food & drink, activity and retail organisations in and around the city.
- 4.9 The contract to manage media relations and online marketing on behalf of the Tourism Partnership was put out to a number of local organisations during 2013 and was won by Astley Media and Rokk Media respectively. The Tourism Partnership is working with both companies to improve marketing material produced, especially in the run up to the Rugby World Cup 2015.
- 4.10 The Tourism Partnership along with Rokk Media and Astley Media are working on a 3 year marketing plan to promote the area as a modern, vibrant cultural destination. They are building on work achieved during previous years, to promote the area as an affordable destination for families and couples wanting a short break or longer holiday. More importantly building links with Exeter Chiefs in the run up to the Rugby World Cup 2015.
- 4.11 Over the previous 12 months the Tourism Partnership has undertaken a number of promotional activities to promote the area for short breaks, long holidays and group visits, including:
- Developed and managed a Cream Tea Competition and Trail throughout the Heart of Devon, with the winner (Real Food Exeter) selling their award winning cream tea at the Exeter Festival of South West Food & Drink
 - Implemented Halloween campaign in association with the Exeter Chiefs, based around events and places to visit in the area
 - Developed a new membership scheme and pricing structure
 - Carried out ongoing monthly proactive and reactive media work
 - Distributed ongoing bi-monthly e-newsletter to visitor database (45k+)
 - Built a new conference website for the area, due to go live in February 2014

- Updated content, images and improved search engine optimisation on www.heartofdevon.com
- Implemented the new Visit Devon approved accommodation inspection scheme, replacing the Heart of Devon scheme to promote a quality experience
- Participated in the Visit Devon 'Get Active in Devon' national online campaign
- Contributed to Visit Devon PR activity and the new Visit Devon Official blog to support promotion of the Devon brand

5.0 CURRENT ECONOMIC CLIMATE

5.1 The economic downturn has led to a massive change in holiday behaviour and attitudes, surprisingly with leisure time becoming ever more important even as finances are stretched. Those that have changed their usual behaviour pattern to take more domestic trips are overwhelmingly positive about their experience, with destinations like Exeter and Devon benefitting from this change. As the economy recovers from the recession it is vital to continue to provide inspiration and ideas through proactive marketing material and activity to build on the attraction towards taking domestic breaks formed in recent years.

From research undertaken by Visit England, most people have not seen any tangible sign of the domestic economy improving in terms of the level of domestic income. However, four sets of intensions are emerging:

- People are returning to taking longer holidays abroad
- Keeping the short break habit with holidays in England an important option, but short trips abroad are becoming more readily considered
- People are continuing to take holidays and breaks in England
- There is further interest in discovering more of England

To counter this, the industry and destinations such as Exeter, need to continue to provide ideas for holidaying in England and play on individual destination strengths such as the quality of accommodation and local food and drink; and the experience offered in the destination.

5.2 There are a number of opportunities in both the short and long term to shape future trends and opportunities. The areas in which, based on the analysis, investment is likely to generate the greatest rewards from the visitor economy are:

- **Investment in infrastructure:** For instance, improving transport infrastructure – road, rail, sea and air
- **Continued support for the sector:** To leverage opportunities such as the use of digital technologies, understand and exploit target markets and respond to changes in legislation.
- **Continued targeted marketing effort:** There is an opportunity to tailor destination offering to attract visitors from established economies, but also from emerging economies. However, the majority of England's visitors will continue to come from traditional markets in the developed world.

5.3 In November 2013, the Bank of England published its quarterly Inflation Report. The report provides an overview of the current economic picture and it allows the bank to share its reasons for the decisions it takes. The report states that there are signs that the economy is starting to recover, driven by improving credit conditions and lifting economic uncertainty. There is however, a long way to go before the aftermath of the financial crisis has cleared and economic conditions normalise.

6.0 PERFORMANCE MONITORING

- 6.1 A set of key performance indicators were included in the Visitor Strategy as a basis for monitoring trends and the effectiveness of the actions implemented, which are listed within Appendix 2. Figures for 2011 are taken as the baseline for the Exeter Visitor Strategy 2012 – 2016.
- 6.2 Visitor facilities managed by the Economy Department have seen a variation of increases and decreases over the years. This is attributed to changes in visitor booking patterns, the national economic climate and better promotion of a number of facilities.
- 6.3 The 'Cambridge Economic Impact Model' is commissioned every year to estimate the volume and value of tourism to the South West economy. Data is then extracted for the sub-regions, including Exeter. The model draws down data from the annual United Kingdom Tourism Survey for domestic visitors, the International Passenger Survey and the England Leisure Day Visits Survey.
- 6.4 From the most recent Cambridge Economic Impact Model (2012), which can be seen in Appendix 3, it is estimated that tourism is worth in the region of £195.6 million annually to the Exeter economy, an increase of 16.92% from 2011, which is well above the original target of 5% during the lifetime of the Exeter Visitor Strategy. Some 4,800+ jobs are supported within hotels, attractions, cultural venues, eating out venues and transport facilities within the city representing an increase of more than 22%. The Cambridge Economic Impact Model is a useful indicator of trends, but the absolute figures are the results of a model not comprehensive information.
- 6.5 The main points arising from comparisons from 2011 to 2012 include:
- total actual jobs supported by tourism spend has increased by 22.17% to 4,822
 - spend from day visitors has increased by 7.38% to £66.9m
 - day visitor trips increased by 7.7% to 1.8m
 - spend from overnight stays increased by 23.45% to £119.6m
 - overnight trips decreased by 1.77% to 445,000
 - total tourism spend has increased by 16.92% to £195.6m

A press releases and media pack is being launched to highlight the value of the visitor economy in Exeter. Work will continue to improve these figures year on year through working with the Tourism Partnership and promoting Exeter as a vibrant, modern cultural short break destination.

7.0 PRIORITIES FOR 2014 – 2015

- 7.1 The focus for 2014 – 2015 will be on delivering outstanding actions from the Exeter Visitor Strategy, developing the Exeter and the Heart of Devon Tourism Partnership and paying particular emphasis on the promotion of the city in the run up to the Rugby World Cup 2015. Actions from the Exeter Visitor Strategy form part of the Economy & Tourism Unit's annual work programme, to ensure delivery is met through the agreed timeframe. These are broken down into the four strategy priority areas as follows:

7.1.1 Priority 1 - Encourage and support market led investment in the visitor economy in Exeter; encompassing retail, food & drink, the arts, visitor attractions, accommodation and transport:

- Help to deliver sustainable mixed use development in Exeter through the production of a master plan for the development of Exeter Bus Station
- Ensure that suitable visiting coach drop-off and overnight parking is incorporated in future city centre developments, taking into account the increase in visiting overseas coaches
- Work with visitor related businesses relocating or opening in Exeter to ensure they receive media exposure locally, regionally and nationally
- Work with public transport providers to improve real time transport information at key points throughout the city

7.1.2 Priority 2 - Develop the visitor experience within Exeter to make the most of existing assets, individually and jointly and so that the sector provides year round jobs and contributes to a vibrant economy:

- Promote the concept of quality as an attraction to visitors and in terms of the image of the city, to tourism businesses within Exeter and the Heart of Devon
- Work with existing heritage and cultural facilities within Exeter to improve the product and visitor experience, taking into account previous and planned research
- Develop walks and itineraries that are integrated with the main public transport hubs and meet the needs of the visitor within Exeter and the Heart of Devon
- Work with Devon County Council on improvements to the national tourist brown signs scheme currently being reviewed by central government
- Research attraction passes in other destinations throughout the UK and the potential of introducing a pass to Exeter

7.1.3 Priority 3 - Raise skill levels of the existing visitor workforce and prepare those with the potential for entering employment in the sector:

- Ensure that there is strong support for the local tourism and food & drink sector within the Heart of the South West Local Enterprise Partnership
- Work with the Exeter & the Heart of Devon Employment & Skills Board:
 - to ensure new hospitality businesses are supported through the recruitment of new staff and ongoing staff development
 - to help existing hospitality businesses recruit significant numbers of new staff, through either expansion or the opening of a new season
 - to assist tourism businesses to set up and support apprenticeships
 - to bid for funding to support and help deliver leadership and management training for hospitality businesses
- Investigate the provision of work trial, work experience within visitor facilities managed by Exeter City Council to raise skills and experience

7.1.4 Priority 4 - Develop more effective and targeted visitor marketing of Exeter locally, regionally, nationally and internationally:

- Work with other key organisations to ensure that Exeter is seen as a 'film friendly' location
- Promote Exeter & the Heart of Devon as a vibrant cultural short break destination, highlighting the City, Coast and Country offer

7.1.5 Priority 5 - Build on work already undertaken to further develop the Heart of Devon Tourism Partnership, to secure additional funding, implement additional marketing of the area and broaden its business development activities:

- Work with the organisers of large scale events in Exeter and the Heart of Devon (such as the Food & Drink, County Show, Folk, RWC2015 and other Festivals) in the promotion of the event locally, regionally and nationally
- Support and encourage the implementation of the Exeter & the Heart of Devon brand throughout Exeter and the rest of the Heart of Devon to build

the profile of the brand in the marketplace

- Work with Visit Devon and the other Area Tourism Partnerships within Devon to ensure that Devon is featured in Visit England promotional campaigns which will enable Devon to gain exposure through national and international promotional campaigns
- Develop and implement a group marketing campaign promoting Exeter and the Heart of Devon to group organisers
- Work with the Board of Directors of Exeter & the Heart of Devon Tourism Partnership to ensure a sustainable financial footing for the Partnership
- Work with the 5 other Area Tourism Partnerships within Devon on joint projects to achieve economies of scale – for example:
 - PR / Website procurement / Advertising / Print / Photography / Business development
- Commission a photographer to refresh the Exeter & the Heart of Devon photographic library
- Within all publicity material promote the national and internationally important natural sites within Exeter & the Heart of Devon, including the Exe Estuary, Jurassic Coast, East Devon Pebblebed Heaths, Seaton Marshes, Axmouth Undercliffs and the Blackdown Hills and East Devon AONB.
- Work with the Red Coat Guide committee to investigate the potential to develop Green Coat and Blue Coat Guides for the countryside and coast, respectively
- Work with neighbouring destinations and local authorities to develop a Destination Management Plan to be recognised as a Destination Management Organisation

7.3 The above actions will be delivered through the Economy & Tourism Unit budget and staffing and the resources of the Exeter and the Heart of Devon Tourism Partnership, as shown below.

8.0 FINANCIAL IMPLICATIONS

8.1 City Council involvement and contribution towards delivering the Exeter Visitor Strategy will be met from within existing financial resources as summarised in the table below.

Tourism Unit Budget 2013 – 2014	Net
Tourism Administration (staff and central re-charges)	£149,700
Tourism Marketing	£58,360
Heart of Devon Tourism Partnership (projected income)	£29,500
Total	£237,560

8.2 The budget for next year is generally as above, unless there are any budget changes resulting from the budget setting process.

- 9.0 **RECOMMENDED** that:
- 9.1 Members comment on the progress made with implementing the Exeter Visitor Strategy 2012 – 2016 and support the actions proposed to be undertaken during 2014 – 2015.
- 9.2 The Tourism Partnership is asked to change its name to Exeter and the Heart of Devon in order to give due prominence to the city in promotional activity and with Exeter being a Host City for the Rugby World Cup 2015.

VICTORIA HATFIELD
ECONOMY & TOURISM MANAGER

RICHARD BALL
ASSISTANT DIRECTOR ECONOMY

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

APPENDIX 1

Priority 1 - Encourage and support market led investment in the visitor economy in Exeter; encompassing retail, food & drink, the arts, visitor attractions, accommodation and transport

Action	Progress	Output
Help to deliver sustainable mixed use development in Exeter through the production of a master plan for the development of Exeter Bus Station	Ongoing discussions with developer and City Council. Planning application expected autumn 2014.	Ongoing.
Ensure that suitable visiting coach drop-off and overnight parking is incorporated in future city centre developments, taking into account the increase in visiting overseas coaches	Ongoing discussions with Exeter City Council's City Development and Car Parking, as well as Devon County Council and Stagecoach to ensure suitable provision is made available within the city.	Provision for coach pick up and drop off has been made on Belgrave Road. Coach parking to be discussed with City Council Car Parking service.
Work with Exeter Airport, First Great Western and Stagecoach to undertake 'Welcome Audits' at the main points of entry for visitors to ensure signage and information available is suitable for a friendly and welcoming visit	Exeter Airport participated in a national Welcome Airport project, supported by VisitEngland, Visit Kent Ltd, VisitBritain, People 1st (incorporating Go Skills), and the Airport Operators Association. 15 airports across England undertook a 'Welcome Audit and Improvement Plan' process, which reviews the visitor's journey throughout the airport from booking, to arrival and departure	Improvement Plan for Exeter Airport produced and implemented by the airport. Toolkit to be used for welcome audits at other public transport gateway locations in Exeter for implementation by the start of RWC2015.
Work with tourism businesses to increase their long term financial sustainability by improving marketing, reducing costs, improving training and working in a collaborative way	Training courses provided by external company to assist businesses with online marketing activity.	Two courses held within the Heart of Devon: Social media and proactive marketing, 9 attended course which was held Jan 2014. Managing your reputation online, 10 booked on course to be held Mar 2014.
Work with Devon County Council and the Local Enterprise Partnership to develop and promote environmentally friendly	Work continues with Devon County Council on developing a suitable cycle	Brompton Dock bike hire installed at Exeter St David's train station.

ways of travelling to and around Dartmoor National Park, having Exeter as a travel and access hub	route from Exeter up to Haldon Forest and Dartmoor.	Exeter Central train station redevelopment completed, with space for a bike hub available for commercial use.
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Priority 2 - Develop the visitor experience within Exeter to make the most of existing assets, individually and jointly and so that the sector provides year round jobs and contributes to a vibrant economy

Action	Progress	Output
Work with the City Development Department to ensure the interpretation, signage and experience of the city's quarters is informative, engaging and accessible	Three new interactive monoliths installed at Princesshay, Sidwell Street and Cowick Street with real time public transport information autumn 2014. Inputted visitor related information to the database that runs the touch screen.	Investigating alternative sources of income to replace out of date information.
Investigate the potential to introduce 'meet & greet' ambassadors for day visiting coaches, guiding visitors to the information centre, attractions, shops and eating out venues	Work will progress on this action during 2014, linking with work undertaken in the volunteer programme for the RWC2015 and the development of the Red Coat Guides service.	Rolled forward to 2014 – 15.
Undertake a comprehensive visitor survey in Exeter to understand the needs and concerns of our customers/visitors, and non-visitors, to help inform any future development of the visitor experience and promotion of the city	Participating in a county wide visitor survey with the five other Area Tourism Partnerships in Devon. Results of the survey will inform the Exeter Marketing Strategy.	Visitor survey signed off by all 6 Area Tourism Partnerships in Devon. Visitor Survey sent to customer database of 140,000 - February 2014. Results of survey available - April 2014.
Investigate the potential for Exeter to enter the national Purple Flag scheme www.purpleflag.org.uk	City Centre Partnership to aim for Purple Flag status by the start of the RWC2015.	To be rolled forward by City Centre Partnership
Develop existing visitor facilities that are less weather dependent through either events or product development, to extend and increase their appeal to visitors throughout the year	Ongoing programme of events held within visitor facilities across the city, both city council and commercially run in and out of peak season. Limited budget available for product development.	Ongoing event development and promotion.

Work with existing visitor attractions in Exeter to ensure they understand and respond to the expectations of visitors and residents	Annual visitor surveys completed in Quay House Visitor Centre, Red Coat Guides, Exeter's Underground Passages and Visitor Information Centre to determine visitor satisfaction levels and areas for improvement.	The customer survey from attractions managed by the City Council, they rated the overall impression as excellent: Underground Passages – 64% Visitor Information Centre – 53% Quay House Visitor Centre – 71% Red Coat Guide – 79% Results of the survey have informed how and where we market some of the facilities locally and regionally.
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Priority 3 - Raise skill levels of the existing visitor workforce and prepare those with the potential for entering employment in the sector
Develop a short training programme for taxi companies and their drivers to be ambassadors for the city;

Action	Progress	Output
Develop a short training programme for taxi companies and their drivers to be ambassadors for the city	Work will progress on this action during 2014, linking with work undertaken in the ambassador and volunteer programme for the RWC2015.	Rolled forward to 2014 – 15.
Ensure that staff working within visitor facilities managed by the City Council are able to transfer skills and experience between facilities	Staff working within the Quay House Visitor Centre, Exeter's Underground Passages and Visitor Information Centre, work in alternative sites that are not their regular place of work.	Greater product knowledge on the city. Able to cross sell other visitor facilities. A flexible workforce enabled to step in at short notice.

Priority 4 - Develop more effective and targeted visitor marketing of Exeter locally, regionally, nationally and internationally

Action	Progress	Output
Promote Exeter through the use of social networking, viral marketing, smartphone apps and new technologies	Existing Heart of Devon Twitter and Facebook account progressing well with lots of user engagement. New Google+ account set up. Video released dressing up 3 Chiefs	Heart of Devon Twitter account followers have increased by 101% to 6,570 in the previous 12 months and Facebook likes have increased by 57% to 644. Exeter Chiefs Halloween video shared

	<p>players in Halloween costume to promote Halloween events in the Heart of Devon. New Visit Exeter Twitter and Facebook recently account established.</p> <p>Working with Three S Films to develop visitor promotional film from existing footage.</p> <p>Tender out on developing a new fully responsive visitor website, due to go live autumn 2014.</p>	through social media 740 times.
Provide timely, accurate and efficient information on Exeter for visitors, online and through other media sources	<p>Three new interactive monoliths installed within the city (Princesshay, Sidwell Street and Cowick Street) to provide real time public transport information and static visitor information.</p> <p>New Visit Exeter Twitter and Facebook account set up.</p> <p>www.HeartofDevon.com updated on a daily basis, with an emphasis on Exeter as a cultural visitor destination.</p>	<p>Website traffic to www.heartofdevon.com continues to increase:</p> <p>Unique views up by 51% to 196,661</p> <p>Visits up by 55% to 258,428</p> <p>Page views up by 48% to 1,231,407</p> <p>Average time spent on the 3 mins 20 sec</p>
Review and develop the brand for the promotion of Exeter to the visitor market, complimenting the Heart of Devon brand and securing support and use of the brand with the business community	Three year marketing plan drafted on how we promote Exeter & the Heart of Devon, using the RWC2015 as the springboard.	New brand and marketing campaign to be launched spring 2014.
Work with Exeter's twinning organisations to promote Exeter as a place to visit	Work will be brought under the umbrella of RWC2015 promotion during 2014 and 2015.	Rolled forward to 2014 – 15.
Introduce tourism ambassadors for Exeter to ensure that the city is recognised as a vibrant cultural destination	Through the Exeter Key Employer programme, two tourism ambassadors have been recruited - Southernhay House Hotel and Café 36. Work continues to recruit further businesses which will also	Two tourism ambassadors recruited and will be called upon for press work as and when required.

	be used by Visit England and England Rugby for RWC2015 promotion.	
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Priority 5 - Build on work already undertaken to further develop the Heart of Devon Tourism Partnership, to secure additional funding, implement additional marketing of the area and broaden its business development activities

Action	Progress	Output
Work with the organisers of large scale events in the Heart of Devon (such as the Food & Drink, County Show, Folk and other Festivals) in the promotion of the event locally, regionally and nationally	Tourist Information provided at key events held at Westpoint Arena, the Exeter Food Festival and University of Exeter. Monthly PR issued through Visit Devon to national and regional press on major events held in Devon. Work to start on marketing Exeter & the Heart of Devon in the run up to, during and after the RWC2015. PR and communications plan drafted to inform local media of RWC2015 activity.	Animated Exeter, Exeter Food Festival, Devon County Show, Tiverton Balloon Festival, Sidmouth Folk Week, Dawish Air Show, Budleigh Salterton Literature Festival and the Exeter Christmas Market featured in local, regional and national press, including: The Guardian, the Telegraph, the Independent, plus Coast and Waitrose magazine.
Establish a network of Tourist Information Centres (TIC's) within the Heart of Devon to develop best practice, new forms of income generation, co-ordinated cross selling and cross marketing and to keep TIC's informed of Heart of Devon promotional activity	Monthly e-newsletter sent to all TIC's in the Heart of Devon on work undertaken by the Tourism Partnership and opportunities for joint working. Across the Heart of Devon, public funding for TIC's is reducing.	Within the Heart of Devon one TIC has closed down and one has reduced services offered.
Research and develop activity/adventure tourism to increase the awareness of what there is to see and do within the Heart of Devon	RS Corporate commissioned to produce feasibility study the Exe Estuary and hinterland on its sustainable tourism potential. Ongoing discussions held with neighbouring LA's on a way forward. Activity and cycling marketing campaign developed for roll out in 2014 to promote Exeter & the Heart of Devon nationally and regionally, linking to the launch of the Exe Estuary Trail autumn 2014.	Report produced. Campaign developed to promote Exeter & the Heart of Devon for activity holidays, due to be implemented Spring 2014.

APPENDIX 2

Tourism Performance Indicators

Tourism related Performance Indicators	2005	2006	2007	2008	2009	2010	2011 Baseline	2012	2013	% + / - from 2011
Number of visitors to Exeter Visitor Information and Tickets	87,995	72,899	74,800	106,234	79,618	76,530	66,645	57,556	55,567	-16.62%
Number of accommodation bookings made in person at Exeter Visitor Information and Tickets	758	648	615	428	413	430	227	148	144	-36.56%
Number of other users of Exeter Visitor Information and Tickets (tel, letter & email)	23,082	28,817	26,924	40,471	44,445	40,719	23,933	29,692	31,282	+30.71%
Number of visitors on a Red Coat Guided Tour	12,912	14,617	18,114	17,204	16,125	15,221	14,985	14,424	15,203	+1.45%
Number of visitors to the Quay House Visitor Centre	23,471	26,048	24,561	26,123	25,060	23,579	25,039	25,861	25,467	+1.60%
Number of visitors to the Underground Passages	18,459	Closed	4,753	19,863	18,896	19,517	20,554	19,768	20,439	-0.56%
Number of visitors to RAMM	233,408	247,000	192,025	Closed	Closed	Closed	32,574 (door) 285,673 (out n about)	327,455	276,823	-15.46% Compared to 2012
Number of visitors to Exeter Cathedral	187,000	142,000	170,000	131,741	109,778	108,869	110,783	TBC	TBC	Not applicable
Number of visitors to St Nicholas Priory – A Tudor Home	Closed	Closed	Closed	6,763 (Apr - Dec)	8,404	5,113	4,762	4,514	4,279	-10.14%

Number of visitors to Topsham Museum (Easter – Oct)	9,070	8,461	8,932	11,512	12,711	12,145	11,441	11,441	12,513	+9.37%
Exeter Corn Exchange ticket sales	5,335	3,551	7,398	8,396	8,314	13,784	20,003	23,352	27,110	+35.53%
Number of group bookings made through the Tourism Unit	334	363	445	500	486	425	597	462	476	-20.27%
Number of unique visitors to City Council website www.exeter.gov.uk/visiting	33,087	30,312	Not know	Not known	Not known	196,456 (May-Dec)	223,033	454,879	455,072	+104.04%
Number of unique visitors to Tourism Partnership website www.heartofdevon.com	24,107	25,596	40,108	39,406	102,547	119,442	143,099	159,718	196,661	+37.43%
Number of inbound visitors to Exeter Airport	278,000	346,000	363,000	338,000	279,000	243,000	229,000	236,000	253,000	+10.48%
Number of Exeter Park & Ride users	1,155,521	1,190,243	1,313,471	1,369,759	1,377,237	1,401,666	1,300,759	1,325,407	986,484 (Jan-Sep)	Not applicable
Number of car park tickets sold in ECC car parks	2,745,149	2,606,467	2,857,885	2,471,346	2,483,278	2,364,835	2,322,630	2,418,631	2,300,220	-0.96%

APPENDIX 3

Economic impact of tourism within Exeter

	2009	2010	2011	2012
Direct actual jobs	2,882	2,958	2,951	3,526
Indirect actual jobs	884	856	996	1,287
TOTAL ACTUAL JOBS	3,767	3,814	3,947	4,822
Bed spaces	6,703	7,401	7,625	7,765
Day visits	1,568,000	1,539,000	1,688,000	1,818,000
Day visitor expenditure	£79.5 million	£77.4 million	£62.3 million	£66.9 million
Overnight trips	360,000	442,000	453,000	445,000
Overnight expenditure	£71.6 million	£81.1 million	£96.9 million	£119.6 million
Other tourism expenditure	£8.6 million	£7.7 million	£8.0 million	£9.1 million
TOTAL VISITOR TRIPS	1,928,000	1,981,000	2,141,000	2,263,000
TOTAL VISITOR EXPENDITURE	£159.7 million	£166.2 million	£167.2 million	£195.6 million

Cambridge Economic Activity Model

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EXETER CITY COUNCIL
SCRUTINY COMMITTEE ECONOMY
6 MARCH 2014

TOPSHAM PARKING MEMBER WORKING GROUP REPORT

1 PURPOSE OF REPORT

- 1.1 To note the update of the Topsham Parking Member Working Group.

2 BACKGROUND

- 2.1 The Topsham Parking Member Working Group was formed during the summer of 2013 to consider a number of parking issues raised by Topsham residents and traders. These issues centred on increasing the parking capacity and establishing priorities between different types of car users.
- 2.2 The Group consisted of Members and Officers from both Exeter City and Devon County Councils, as well as representatives from the Topsham Community Association and local businesses.
- 2.3 Topsham is an historic town which attracts a high number of visitors who help sustain the economic viability of its small businesses. The centre of the town consists of narrow streets and dense housing, resulting in a high demand for limited parking spaces from residents, commuters and visitors.
- 2.4 The town benefits from two short-stay shopper car parks (Matthews Hall and Topsham Quay) and two long-stay commuter/residents car parks (Holman Way and Tapper's Close). Parking overnight (18:00hrs to 08:00hrs) is free at any of these locations.

3. PROPOSALS

- 3.1 To increase enforcement in Fore Street to help maximise turnover rates in the limited waiting bays serving the local businesses.

To increase Civil Enforcement Officer patrols in Nelson Close and Orchard Way to help alleviate parking congestion around the school and library.

Enforcement has been focused on these areas and the table below summarises the number of patrol visits and Penalty Charge Notices issued in these streets during the first and second half of 2013:-

Location	Visits (PCNs) Jan – Jun	Visits (PCNs) Jul - Dec
Fore Street	161 (102)	248 (180)
Nelson Close	69 (24)	94 (21)
Orchard Way	28 (2)	61 (15)

In addition the Community Safety & Enforcement Manager has sent a letter to the businesses in Fore Street to discourage the practice of shop workers parking in limited waiting bays and only moving their vehicle when spotting a Civil Enforcement Officer patrolling. Yellow lines have also been repainted in some areas of Fore Street to more clearly convey restrictions.

3.2 To accommodate the parking needs of the Saturday Market Traders.

Permits have been issued to enable a limited number of traders to use Matthews Hall car park.

3.3 To improve signage to car parks.

The Group concluded that the current road signage does not make it clear that long-stay parking is available at Tapper's Close and Holman Way car parks. Devon County Highways Officers have undertaken to amend and improve the existing signage to make clearer the public parking opportunities within Topsham. This is planned for the 2014/15 financial year.

Tariff board signage in Matthews Hall car park has been adjusted to aid vision.

3.4 To create additional parking bays by utilising part of the Recreation Ground, Matthews Hall Tennis Courts and relocating the recycling bins away from Holman Way car park.

The Group concluded that maintaining a centrally located tennis court and well used recycling facility was of more community benefit than an additional 20 off-street parking bays, particularly when a similar number of bays were usually available at Tapper's Close car park.

There is a restrictive covenant on the Recreation Ground for its perpetual use as a recreation or playground for children/youths. The land is also held in Trust and would require Charity Commission consent to convert a small part into parking bays.

Vegetation has been cut back along Ferry Road to enable easier on-street parking.

3.5 To consider the potential for coach parking at Tapper's Close car park.

Although a bay could be provided at this site relatively cheaply the narrow approach road would make manoeuvring very difficult and as a result this location is considered unsuitable.

3.6 To consider the feasibility of a residents parking scheme for Topsham.

Devon County Highways Officers considered that any plan to introduce an on-street residents parking scheme needed to be done so as part of a wider traffic management solution and should not be looked at in isolation by this group. The County Council plans to hold a review and formal consultation of the existing and any proposed on-street parking restrictions during 2014/15.

Exeter City Council will be undertaking a Car Park Review during 2014 to consider future off-street parking capacity and across the city. The results are expected to be reported early in 2015.

4. RESOURCE IMPLICATIONS

4.1 None.

5. RECOMMENDED

- (1) That the Committee note the update of the Member Working Group.
- (2) That Devon County Council undertake their proposed reviews during 2014/15

**TOPSHAM CAR PARKING MEMBER WORKING GROUP
Councillor Baldwin**

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

Background papers used in compiling this report:-

Titles of supporting documents

Date 20 February 2014

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EXETER CITY COUNCIL

SCRUTINY COMMITTEE - ECONOMY 6 MARCH 2014

EXETER CORN EXCHANGE UPDATE

1 PURPOSE OF REPORT

- 1.1 To update Members on the performance of the Corn Exchange.

2 BACKGROUND

- 2.1 The Corn Exchange is part of the Facilities & Markets section of Economy. The section also encompasses the Matford Centre, Tourist Information Centre, Underground Passages, Quay House Visitor Centre, Red Coat Guides, Leisure Facilities Contract Management and Markets.
- 2.2 A staffing review of Economy undertaken in March 2013 brought these facilities together under the management of the Facilities & Markets Manager reporting to the Assistant Director, Economy.
- 2.3 Exeter Corn Exchange hosts a varied programme of events including music, comedy, dances, conferences and examinations. The venue's team organises and promotes some events and the venue is also available for hire by private and public organisations, community groups and charities.
- 2.4 The venue's permanent staffing establishment consists of fewer than five full-time equivalents. This team looks after all aspects of the venue's operation including programming, administration, event management, marketing, box office and cleaning & maintenance. They also cover front-of house duties and manage the bar/catering operation utilising casual staff as and when required to provide this service. Contractors are employed for some of the venue's technical requirements and cleaning.

3 OVERALL PERFORMANCE

- 3.1 The total income projection for the Corn Exchange in the current financial year is £660,000 compared with £594,000 in 2012/13. Total projected expenditure for the year is £715,000 compared with £660,000 in 2012/13. The total number of events staged at the venue in the current financial year will be around 350.
- 3.2 The venue receives no external funding and the current annual deficit of £55,000 (or £17,000 after internal Council costs and depreciation) compares very favourably with other venues in the City.

4 EVENTS AT THE CORN EXCHANGE

- 4.1 The Corn Exchange team organises a year round programme of entertainment events. These events are a mixture of in-house promotions and joint promotions with local or national partners. In the current financial year, music artists appearing at the venue have included The Blues Band, The Searchers, The Manfreds, The Zombies, From The Jam, Fairport Convention and Oysterband. Comedy shows have included Rich Hall, Andy Parsons, Jimmy Carr, Henning Wehn, Sarah Millican, Jeremy Hardy and Jon Richardson.

- 4.2 Other events in the programme this year have included a Bollywood & Bhangra Extravaganza, Vienna Festival Ballet's production of Sleeping Beauty and a performance by Circus of Horrors. The venue's team also organises Exeter Comedy Club, which is now in its 17th year and is one of the most successful comedy clubs in the country with almost every show selling out.
- 4.3 This events programme is analysed to compare the direct costs of staging the events to the income received to ensure that the resources employed are justified in financial terms. The results achieved continue to improve with a surplus of over £100,000 achieved in 2013. A full breakdown of income and direct expenditure is attached as an appendix.
- 4.4 Exeter's main professional pantomime has now been staged at the venue for four years. Ticket sales have increased by 12% over that period and box income has increased by 41%. Income to the City Council from the pantomime has increased by 50%.
- 4.5 Exeter Dance Festival also relocated to the Corn Exchange in 2013. The festival which covers all types of children's dance with competitions in several categories and two performance evenings, takes place over eight days in February.
- 4.6 The Corn Exchange is the Exeter base for Open University examinations as well as for the Chartered Institute of Management Accountants. The venue hosts general and local election counts, regular blood donor sessions, participation dance events at least twice a week and concerts by Exeter Children's Orchestra.
- 4.7 The total number of venue users in 2013 was 63,000 of which 27,000 purchased tickets for events. User stats for the venue from 2005 until 2013 are as follows:

Year	Total Number of Visitors	Ticket Sales
2013	62,886	27,110
2012	62,005	23,352
2011	61,752	20,003
2010	61,484	13,784
2009	53,814	8,314
2008	49,996	8,396
2007	51,098	7,398
2006	39,151	3,551
2005	44,535	5,335

5 VENUE MARKETING & CUSTOMER SERVICE

- 5.1 The venue's marketing budget is utilised for publicising the venue's entertainment programme. This has proved to be far more effective than the previous strategy of simply advertising the venue as being available for hire. The current marketing spend is around £14,000 pa.
- 5.2 A marketing check is undertaken when tickets are sold and by far the most effective methods of publicising events are (in order of effectiveness) the venue's brochure, the venue website and other websites.
- 5.3 The venue's brochure is produced twice a year with 20,000 copies printed and distributed including around 10,000 by direct mail to the venue's postal mailing list.
- 5.4 The venue's emailing list continues to grow and is now around 5,000. It is recognised that the main marketing emphasis will need to be switched from print to electronic marketing but this switch needs to be managed carefully to ensure that the venue does not lose the progress it has made in improving marketing over the last few years.

- 5.5 The venue's website, a sub-site of the main City Council site, currently attracts close to 50,000 page visits each month. In 2013, 11% of all page views for the City Council website were for the Corn Exchange pages. With 66,000 views, the venue's what's on page was the fourth highest figure for the Council behind only the ECC home page and pages featuring information on car parks, bin collections and public transport.
- 5.6 Every organisation/individual hiring the venue for a private event is sent a questionnaire after their event to seek their views on the service they received from the venue. Over the last year 60 surveys were sent out and the return rate was exactly 50%, with 30 surveys returned. The responses to questions measuring the quality of the venue and the service received were as follows:

How do you rate the following?	Very Good	Good	Average	Poor	Very Poor
The venue's location	19	10	1	0	0
Accessibility by car	11	6	11	1	0
Accessibility by public transport	19	9	1	0	0
Directional signage to venue	2	7	14	3	0
Ease of access for disabled/pushchairs etc	11	13	2	2	0
Décor in main hall	12	9	6	0	0
Décor in bar	12	13	4	0	0
Toilet facilities	20	9	1	0	0
Comfort within venue	17	11	2	0	0
Cleanliness	19	10	0	1	0
Level of staff service	27	2	0	0	0
Suitability of venue for your event	25	4	1	0	0
Bar facility	16	5	1	0	0
Catering facility	19	5	2	0	0
Handling of your initial enquiry	29	1	0	0	0
Arrangements prior to your event	29	1	0	0	0
Help received during your event	29	1	0	0	0
Invoicing, receipting etc	26	3	0	0	0
Help with special requests	29	1	0	0	0

Where the total number of responses does not add up to 30 this is explained by the client ignoring the question because it did not apply to their event or because they had no opinion.

6 ISSUES FACING THE VENUE

- 6.1 The main weakness of the venue is the fact that the capacity is limited to 500. There is clear evidence that this restricts the number, and limits the quality, of events that can be staged at the venue. The venue's team are currently exploring ways to address this by identifying ways of increasing the venue capacity. An increased capacity would lead to higher profile shows being staged which would be positive not only for the venue but also the night time economy with restaurants and hotels benefitting from extra visitors to the city.
- 6.2 The venue's box office also needs improving. Although the current system is extremely cost effective it is struggling to cope with the increase in ticket sales and does not offer the functionality needed for a first class online option. The venue team is exploring ways of addressing this problem in conjunction with colleagues from the ICT service in the City Council.
- 6.3 The venue's team is also exploring the possibility of staging events at the Riverside Leisure Centre and a pilot event is scheduled for 3 May when the Ukulele Orchestra of Great Britain will perform in concert.

7 RECOMMENDED

7.1 That Scrutiny Committee – Economy notes and comments on the content of the report.

DAVID LEWIS, FACILITIES & MARKETS MANAGER

RICHARD BALL, ASSISTANT DIRECTOR ECONOMY

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

Background papers used in compiling this report:-

None

Scrutiny Committee - Economy, 6 March 2014
Corn Exchange Update

Appendix

EXETER CORN EXCHANGE SEASONAL EVENTS PROGRAMMES - FINANCIAL ANALYSIS

Number of events in programme	Spring 09 18	Autumn 09 19	Spring 10 21	Autumn 10 21	Spring 11 24	Autumn 11 25	Spring 12 31	Autumn 12 27	Spring 13 35	Autumn 13 31
Income:										
Ticket income	34,500	57,200	47,400	29,700	87,500	54,400	88,000	84,000	88,500	112,100
Venue hire fee	1,600	1,700	3,000	15,000	2,000	17,600	5,600	17,500	10,700	18,900
Bar/Catering income	12,800	16,300	13,600	25,000	22,700	35,400	26,800	40,100	35,000	42,500
Other income	3,100	700	3,400	4,400	500	4,200	1,100	4,300	1,400	5,500
Total	52,000	75,900	67,400	74,100	112,700	111,600	121,500	145,900	135,600	179,000
Expenditure:										
Artists/Promoters costs	24,100	37,300	31,100	20,900	61,200	34,900	60,000	56,300	61,700	81,500
Production costs	3,200	2,800	2,400	1,500	3,800	2,900	3,800	4,100	4,200	2,600
Casual staffing costs	2,900	3,800	3,500	12,200	3,900	9,200	5,000	9,700	6,100	10,100
Bar/Catering - cost of goods sold	5,100	6,500	5,400	10,000	9,100	14,100	10,700	16,000	14,000	18,000
PRS	500	800	700	500	1,300	500	700	1,200	1,000	1,400
Ticket agency commission	1,000	400	1,500	100	300	100	300	400	400	500
Other	200	3,000	0	1,200	1,000	400	200	2,900	500	3,800
Total	37,000	54,600	44,600	46,400	80,600	62,100	80,700	90,600	87,900	117,900
Nett income	15,000	21,300	22,800	27,700	32,100	49,500	40,800	55,300	47,700	61,100

Notes:

Events included are those for which the venue offers marketing support (through printed events guide) and box office facilities
Most events are promoted or jointly promoted by the venue but for some events the venue has been hired by a third party
Spring events run from January until August, Autumn events run from September until December
Autumn 10/11/12/13 include pantomime (more than 30 performances) counted as one event
Marketing costs are not included. Energy costs are not included.
Most venue hires (regular dances, conferences, examinations, fairs etc) are excluded
Some figures are estimated and a tolerance of plus or minus 5% should be allowed.

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EXETER CITY COUNCIL

SCRUTINY COMMITTEE - ECONOMY 6 MARCH 2014

THE MATFORD CENTRE/EXETER LIVESTOCK CENTRE UPDATE

1 PURPOSE OF REPORT

- 1.1 To update Members on the performance of the Matford Centre.

2 BACKGROUND

- 2.1 The Matford Centre is part of the Facilities & Markets section of Economy. The section also encompasses Exeter Corn Exchange, Tourist Information Centre, Underground Passages, Quay House Visitor Centre, Red Coat Guides, Leisure Facilities Contract Management and Markets.
- 2.2 A staffing review of Economy undertaken in March 2013 brought these facilities together under the management of the Facilities & Markets Manager reporting to the Assistant Director, Economy.

3 OVERALL PERFORMANCE

- 3.1 The Matford Centre, also referred to as Exeter Livestock Centre, incorporates pennaage and sales rings used for livestock markets, a car auction operation, an events/exhibitions concourse, business units, meeting rooms, a restaurant and extensive outdoor area which is used for a number of activities including the Sunday Market and Car Boot Sale.
- 3.2 The total projected income for the centre in the current financial year is £760,000 compared with £695,000 in 2012/13. Total projected expenditure for the current year is £407,000. This is £6,000 more than last year.
- 3.3 When Members agreed, in January 2011, to offer a new 10 year lease to a livestock auctioneer and so effectively agreed to The Matford Centre continuing its full operation for this period, the projected annual surplus for the centre was between £110,000 and £177,000. This year's surplus is projected to be around £350,000.

4 LIVESTOCK MARKET

- 4.1 The livestock market operation is the largest in Devon and one of only two in the South West that operates more than one livestock market a week. It is seen by the farming community as the main livestock market in the county and supports the farming hinterland of the city.
- 4.2 The livestock auctioneers, Kivells and Husseys of Exeter, have now completed almost two years of operating from the centre having taken over the running of the livestock markets in April 2012. They have been successful in attracting new business to Exeter and animal throughput increased by 28% in their first year of operation. A further increase is projected for the present financial year. Details of animal throughput figures for the market from 2008 until 2013 are shown below:

Exeter Livestock Centre Animal Throughput Figures								
Year	Sheep	Annual Increase	Cattle	Annual Increase	Pigs	Annual Increase	Total	Annual Increase
2008/09	131,160		16,309		1,659		149,128	
2009/10	126,481	-4%	16,683	2%	1,790	7%	144,954	-3%
2010/11	132,370	4%	23,261	28%	2,411	26%	158,042	8%
2011/12	146,256	9%	18,792	-24%	2,786	13%	167,834	6%
2012/13	187,663	28%	26,221	40%	3,464	24%	217,348	28%

4.3 The increased throughput combined with an increase in the prices achieved at market has resulted in the City Council receiving income in excess of the minimum guaranteed by the terms of the lease. Approximately £460,000 will be paid to the Council by the livestock auctioneers over the first two years of the lease compared to a minimum guaranteed rent of £215,000 pa. When Members agreed, in January 2011, to a ten year lease being offered for the running of the livestock market the independent advice received suggested that the income would be between £65,000 and £135,000 pa.

4.4 The total value of the transactions carried out at the livestock market in the current financial year will be around £25 million.

5 OTHER ACTIVITIES AT THE CENTRE

5.1 The indoor concourse at the centre hosts a varied events programme including dog shows, antique fairs, flea markets, dances, toy fairs, catering shows and other trade shows. Because of the other businesses based at the centre most concourse events have to be held on Saturdays and 38 of the 52 Saturdays in 2013 were booked. A further 18 midweek dates were booked for concourse events. Income to the council from this source will be around £62,000 in the current financial year.

5.2 The Sunday Market/Car Boot Sale at the centre is run by the Matford Centre team assisted by a different charity or community group each week. These organisations provide a number of helpers for the event and are guaranteed a minimum payment of £400 for doing this. In the current financial year the total payments made to these groups will be around £25,000. The total projected income from the Sunday Market/Car Boot sale in the current year is £135,000 compared to £132,000 last year.

5.3 There are four meeting rooms at the centre and over 400 bookings will have been secured over the current financial year. The total projected income from meeting room hire in the current year is £45,000 which is similar to that achieved last year.

5.4 The café at the centre is leased to a private operator with a rent payable to the City Council based on turnover (with a guaranteed monthly minimum). The operator has recently refurbished the café. The operator has rights to all catering on the site as part of an operating agreement which runs alongside the lease. The total projected income to the Council from the catering operation in the current year is £37,000 compared to £32,000 last year. The guaranteed minimum payment is £24,000 pa.

5.5 The car auction based at the centre has a lease with six years remaining. The auction operator pays the Council a rent based on turnover with a minimum rent of £80,000 pa. In the last few years the minimum rent only has been received.

5.6 There are a number of business units at the centre including property agents, an insurance company, a training company, a parcel delivery service, an accountant and a solicitor. The total income from this source in the current financial year will be around £60,000.

5.7 The outdoor areas at the centre are used for a number of purposes including car storage, driver training and motor cycle training. Income from these sources in the current financial year is projected to be around £60,000.

6 ISSUES FACING THE CENTRE

6.1 Most of the income streams at the centre are uncertain and are subject to external influences. The small team at the centre (fewer than four full-time equivalents) places a high priority on seeking new income opportunities and ways to reduce expenditure.

6.2 The roof at the centre is now more than 20 years old and constantly needs repairing. It is possible that there will be a need to replace this at sometime in the next few years and we are working with officers in the Estates & Property section of the Council to identify the best way forward on this issue.

6 RECOMMENDED

That Scrutiny Committee – Economy notes and comments on the content of the report.

DAVID LEWIS, FACILITIES & MARKETS 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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By virtue of paragraph(s) 3 of Part 1 of Schedule 12A of the Local Government Act 1972.

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