

SCRUTINY COMMITTEE - ECONOMY

22 January 2015

Present:

Councillor Henson (Chair)

Councillors Brock, Branston, Brimble, Bull, Foggin, Holland, Lyons, Robson, Wardle and Williams

Apologies:

Councillors Crew and Donovan

Also present:

Chief Executive & Growth Director, Assistant Director Finance, Assistant Director Economy, Economy and Tourism Manager, Service Manager Community Safety and Enforcement, Leisure Facilities Manager, Audit Manager (HP), Arts and Events Manager, Scrutiny Programme Officer and Democratic Services Officer (Committees) (SLS)

In attendance:

Councillor Rosie Denham - Portfolio Holder Economy and Culture
Councillor Rachel Sutton - Portfolio Holder City Development

1 **Minutes**

The minutes of the meeting held on 13 November 2014 were taken as read and signed by the Chair as correct.

2 **Declarations of Interest**

Councillor Foggin declared an interest in relation to Minute 6.

Councillor Branston declared a discloseable pecuniary interest and withdrew from the meeting whilst Minute 11 was discussed.

3 **Reports of Portfolio Holders**

Councillor Sutton and Denham presented progress reports on priorities within the City Development and also the Economy and Culture Portfolios respectively. Responses to Members' comments and queries are set out below:

City Development

Councillor Sutton provided the latest position relating to the turnaround time for land searches and reported that the backlog had been reduced to approximately eight days. It should be noted it had been a difficult situation to address. A Member felt it was appropriate to thank the significant effort made by staff to reduce the backlog.

Economy and Culture

Councillor Denham referred to the emphasis which was now on delivering the priorities of the Corporate Plan.

Scrutiny Committee – Economy noted the achievements and priorities presented for both City Development and the Economy and Culture Portfolios.

4 Fraud Awareness

The Chair welcomed Helen Putt, the Audit Manager, to the meeting who made a presentation in response to the Government's publications "Protecting the Public Purse" and "Fighting Fraud Locally". She spoke on the background to the fraud, bribery and corruption awareness policies. She defined these elements and set out the circumstances in which they occurred and also detailed what the Council was doing to counter such activity which should be categorised as criminal activity. There were penalties for the individual concerned as well as the Council, if insufficient effort had been made to ensure due diligence.

The Audit Manager referred to the measures already in place and she outlined the ways to report any suspected fraud, including the use of an anonymous help line. Copies of a leaflet entitled "What should you do if you suspect Fraud, Theft or Corruption" a Guide for Staff, Councillors and Members of the public were circulated.

The Chair thanked the Audit Manager for the presentation.

5 Estimates/New Capital Bids/Fees and Charges

The Assistant Director Finance presented the report on the Estimates and Fees and Charges, which outlined the strategic framework, within which the estimates had been prepared; changes in accounting practices which affected all budgets and gave detailed reasons for major changes in the Management Unit estimates. The budget framework, a detailed schedule of the Capital Programme and proposed new schemes for the areas covered by the Scrutiny Committee – Economy and proposed 2015/16 Fees and Charges were included as an appendix.

He drew attention to the key budget changes for 2015/16. He also referred to the revenue allocation which had been made to deliver the Rugby World Cup event and the proposed New Swimming Pool and Leisure Centre complex, for which expenditure would be capitalised when the building had been designed and planning permission obtained. The Assistant Director Economy responded to a Member's enquiry and confirmed that savings to the current Leisure Management contract would be made when Parkwood moved to the Trust Model in the new financial year.

A Member welcomed the recent Budget Briefing for Members which had provided an overall budgetary position which had been very useful.

Scrutiny Committee – Economy noted the draft Revenue Estimates for 2015/16, the proposed Capital Programme and Fees and Charges for further consideration by Executive.

6 Parking Places Enforcement

Councillor Foggin declared an interest when giving an example of parking difficulties faced by trades' people.

The Service Manager Community Safety and Enforcement presented a report which sought Members' views on the inclusion of additional parking places within the Civil Enforcement Order, effectively bringing the enforcement of more City-Council owned parking areas in-house. This was as a result of concerns about the robust approach adopted by private parking enforcement on non-Council parking sites in Exeter.

He responded to a Member's comment in respect of the ownership of the Swans Nest car park, which was adjacent to the Exeter Canal, although geographically the car park was situated in Teignbridge District Council, it was owned by the City Council. He also suggested that any individual seeking information on the parking permit criteria should contact the City Council's parking service as they could provide sound advice on the most appropriate place to park.

Scrutiny Committee - Economy noted the report and recommended Executive to:-

- (1) amend the City of Exeter (Civil Enforcement Off-Street Parking Places) Order 2014 to include the Swans Nest car park for enforcement of classes of vehicles not permitted;
- (2) confirm the permanent inclusion in the 2014 Order of sites at Duryard, Bromhams Farm, Cowick Barton Fields, Bettysmead, Hamlin Lane, King George V and Station Road (Pinhoe) following their successful trial in 2014;
- (3) confirm the Clifton Hill Ski Slope Approach as suitable for enforcement by a private parking enforcement company; and
- (4) review the private arrangements currently in place for Station Road, Exwick and Flowerpot at the end of the lease periods in May and March 2017 respectively.

7 City Centre Business Improvement District

The Assistant Director Economy presented a report which set out the process and a proposal for setting up the City Centre Business Improvement District, (BID) and also as the Council will be eligible as a rate payer on its own property, recommended that the City Council should cast its votes in support of setting up the BID for the next five years. A copy of the BID Business Plan was circulated with the report.

The establishment of a city centre BID was important to provide the focus for a concentrated effort to face up to the challenges of meeting the changes in consumer behaviour, investment being made in other locations and the reality of reducing public sector finances and services. It was anticipated that as the BID progressed, local businesses and stakeholders would more readily be able to identify the projects that will ensure a more coordinated approach to enhancing the city centre. If the ballot was successful, the BID would commence within six months of the ballot taking place, for a period of five years until 2020.

A Member complimented all those involved in drawing the BID document together and particularly welcomed the inclusion of the wide a range of stakeholders which should have a universal appeal.

Scrutiny Committee - Economy supported the proposals of the City Centre Business Improvement District Board and recommended to Executive and Council the following:-

- (1) that the City Council vote in favour of the establishment of the City Centre Business Improvement District (BID); and
- (2) the City Council casts its votes in favour of setting up the City Centre BID in the forthcoming ballot in February 2015.

8 **Rugby World Cup 2015 Update**

The Assistant Director Economy presented a report which updated Members on the preparations currently being made for Exeter being a 'Host City' for the Rugby World Cup tournament, taking place between 18 September and 31 October 2015, as well as the work being undertaken to ensure that there was a legacy from the city's involvement.

He responded as follows to Members' queries:-

- the maximum capacity of 6,000 for the provision of the Fanzone quoted was to ensure there was adequate emergency access for all, taking account of any other events going on in the immediate area.
- 'dressing' the city would add interest and colour to the overall event, although the final format still had to be agreed, the Rugby World Cup organisation's corporate style would also include a number of banners and these would be in place at least six weeks prior to the start of the games, around Sandy Park and also at the main gateways to the city, such as Heavitree Road and Topsham Road and Exe Bridges. Appropriate signage and flags would also be in place. City businesses and retailers will also participate in promoting the event in some way, as well as the main sponsors, Land Rover and Heineken.
- there would be a strict control on the sale of official souvenirs and programme, within the immediate environs of Sandy Park and the Fanzone in the city centre, and this stance would be supported by Environmental Health and Trading Standard officers. He welcomed a Member's comment on her experiences when marshalling car parks on regular match days at Sandy Park in Apple Lane and at Digby and the likely presence of unofficial sellers. He hoped that the number of volunteers in place would deter their activities but all staff would be vigilant.
- the rigorous traffic management arrangements would be the same as any match day at Sandy Park, but some modelling work was also being carried out to establish where people were likely to be travelling from and how that might affect the way that Sandy Park will operate. He was not aware of any plans to close any local roads at this time.
- a group had already been set up to discuss the effects on public transport including the opportunities for rail, and First Great Western was aware of the issues.
- the £10,000 community fund competition should attract entries from a number of local rugby clubs.

Scrutiny Committee – Economy supported the recommendation for Executive to note the report and progress made to date.

9 **Annual Review of Support for Exeter Businesses**

The Economy and Tourism Manager updated Members on the progress made in supporting businesses through Exeter Business Support and the Exeter Pop Up Shop format, and the progress to renew the contract for this service, due to commence in April 2015. She was able to confirm that following a tendering exercise

for the Exeter Business Support Contract for 2015/16, that Peninsula Innovations Ltd. had been successfully re-appointed.

The Economy and Tourism Manager responded to a Member's comment on the range of marketing material currently in use, and confirmed that regular reviews of former clients were carried out including details of employee numbers and turnover. She also referred to the three month period offered for the Pop-Up Shop which provided an opportunity for fledgling companies to test the business model to see if they had a sustainable customer base and marketing model. There have been successes with a number of businesses having moved on to trade elsewhere in the city. She was unable to make a comparison with the loss of family run independent traders and the number of charity shops operating in the city, but would make enquiries with the Estates team.

Scrutiny Committee - Economy noted the report and recommended Executive to:-

- (1) support the City Council in continuing to fund business support for embryonic, new and existing businesses to provide opportunities for individuals to secure the means of improving their financial position and promoting job creation, at a cost of £42,000, and
- (2) Officers within Economy be authorised to negotiate a service level agreement for 2015 – 2016, following a contract advertisement, for the continued delivery of services outlined in this report under the banner of Exeter Business Support.

10 **Cost of Living Final Report**

The Chair of the Cost of Living Forum, Councillor Denham updated Members on the Cost of Living Forum's final recommendations to the Scrutiny Committee - Economy. These were set out with a detailed explanation. She drew attention to the potential to draw down funding from the European Structural and Investment Funding (ESIF) and the intention to develop a combined bid approach between the Council, private and voluntary sectors and stakeholders. She hoped that they could develop a number of bid applications provided this funding was achieved. The Assistant Director Economy stated that he would discuss the funding opportunities with the Partnerships Manager at the Heart of the South West Local Enterprise Partnership (SWLEP). It was important to continue to discuss the available opportunities to tackle the social and skills issues which the living wage could help to address.

A Member enquired if the local media were aware of the outcomes of the study. Councillor Denham advised that details had already been publicised, but there was also the opportunity to promote the individual recommendations.

Councillor Denham thanked all the members of the Forum for their participation.

Scrutiny Committee - Economy noted the report and the following activity including:-

- (1) to hold an ESIF information event as soon as possible in 2015 in association with the LEP and the Federation of Small Businesses to which private and voluntary sector organisations and stakeholders will be invited to attend;
- (2) to hold a six month review of ongoing, relevant Council work streams identified by the Forum, reporting back to the Scrutiny Committee - Economy with an update;

- (3) promote the Living Wage by putting information on the Council's website, the Exeter Citizen and through social media highlighting the work of the Cost of Living Forum and providing case studies reflecting the Council's success in implementing the Living Wage along with an interview with a local business which has implemented the Living Wage successfully;
- (4) the Cost of Living Forum should continue to meet annually;
- (5) to engage with existing businesses via their networking events to raise the profile of the Living Wage and the Cost of Living Forum work;
- (6) to provide Council staff with information to increase their knowledge of the Living Wage which they can share with outside organisations, and
- (7) to share the Cost of Living Forum reports with East Devon District Council and Teignbridge Council.

11 Update on the Exeter Visitor Strategy 2012 - 2016

Councillor Branston declared a discloseable pecuniary interest as an employee of South West Tourism Power Marketing and withdrew from the room.

The Economy and Tourism Manager presented a report which updated Members on progress with implementing the Exeter Visitor Strategy 2012 – 2016. She referred to the overview of progress made and outputs achieved during 2014, against the priorities as well as a selection of achievements made. A set of the key performance indicators were included in the Visitor Strategy as a basis for monitoring trends and effectiveness of the actions implemented. She responded to a Member's comment about the lack of availability of the more traditional bed and breakfast establishments, and stated that there were still a number of traditional bed and breakfast establishments but these were often situated in the suburbs, but added that Exeter provided a range of accommodation to suit most pockets.

The main aim of achieving a 5% increase in visitor spend and employment related to visitor trend has been achieved and 2015 was anticipated as being a successful year.

Scrutiny Committee – Economy noted the progress made with implementing the Exeter Visitor Strategy 2012 – 2016 and supported the actions proposed to be undertaken during 2015 – 2016 focusing on promoting the area for Rugby World Cup 2015.

12 Annual Arts and Events Review 2014

The Arts and Events Manager presented a review of the performance of the festivals and events portfolio which in 2014/15 had comprised Animated Exeter, Vibraphonic, Exeter Open Studios, Exeter Respect and the Unexpected Festival and set out the programme of activity for 2015/16.

Scrutiny Committee – Economy noted the report and noted the breakdown of Arts and Events budgets for 2015/16 namely £50,000 for the Unexpected Festival towards the programme for the Fanzone during the Rugby World Cup 2015 and £43,350 for the revised Project Grants Scheme.

13 **Filming in Exeter**

The Economy and Tourism Manager presented a report which informed Members how the City Council responded on a day to day basis to film production companies wishing to film within the city. It also covered how the city was promoted as a good place to film, and the way in which they could foster skills development in creative industries to support business growth and get local people into work.

Exeter's recent track record in attracting filming and the progress made by the Economy team in handling film enquiries and promoting the area as 'film friendly' had had a number of successes. It was anticipated that a one off project, with an intern placement from a local college or University, would be working on developing a film pack on the city that would improve Exeter's presence on national film web sites.

Scrutiny Committee - Economy noted the report.

14 **Parkwood Leisure Working Group Minutes 21 October and 9 December 2014**

Scrutiny Committee – Economy noted the minutes of Parkwood Leisure Group held on 21 October and 9 December 2014.

15 **Local Government (Access to Information) Act 1985 - Exclusion of Press and Public**

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

16 **Parkwood Leisure Management Contract Annual Update**

The Leisure Facilities Manager presented the report which set out the performance of the Parkwood Leisure Management Contract for year four of the contract, October 2013 to September 2014.

A Member, who also sat on the Parkwood Leisure Working Group had been very impressed with the cooperation and effort made by Parkwood to work effectively with both the City Council and the local community. The Leisure Facilities Manager responded to an enquiry about the length of term of contract which was in place until 2020. He added that the staff rate of pay was not a requirement of the current contract, and although there may be the desire, paying staff the living wage would have an additional financial impact on the City Council.

A Members' Briefing for Exeter City Councillors would be held on the 25 February 2015 to provide an opportunity to explore, any issues or comments on the day to day operation of the sites with representatives from Parkwood Leisure.

Scrutiny Committee – Economy noted the report.

17 **Exeter & Heart of Devon Growth Board Minutes**

The minutes of the Exeter and Heart of Devon Growth Board held on 10 November 2014 were circulated for Members' information, and referred to a number of issues that the City Council may need to consider and take forward as appropriate.

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

The meeting commenced at 5.30 pm and closed at 6.45 pm

Chair