

EXECUTIVE

Date: Tuesday 9 February 2016

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 Sarah Selway, Democratic Services Manager (Committees) on 01392 265275.

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

Membership -

Councillors Edwards (Chair), Denham, Hannaford, Leadbetter, Morse, Owen, Pearson and Sutton

Agenda

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

1 Apologies

To receive apologies for absence from Committee members.

2 Declarations of Interest

Councillors are reminded of the need to declare any disclosable pecuniary interests that relate to business on the agenda and which have not already been included in the register of interests, before any discussion takes place on the item. Unless the interest is sensitive, you must also disclose the nature of the interest. In accordance with the Council's Code of Conduct, you must then leave the room and must not participate in any further discussion of the item. Councillors requiring clarification should seek the advice of the Monitoring Officer prior to the day of the meeting.

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

RESOLVED that, under Section 100A(4) of the Local Government Act 1972, the press and public be excluded from the meeting during consideration of 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.

- 4 **Devolution for the Heart of the South West**
- To consider the report of the Chief Executive and Growth Director. (Pages 5 - 42)
- 5 **Community Infrastructure Levy Funding for Sandy Park A379 Junction**
- To consider the report of the Assistant Director City Development. (Pages 43 - 50)
- Scrutiny Committee – Resources considered the report at its meeting on 27 January 2016 and its comments will be reported.
- 6 **Exeter City Future Community Interest Company**
- To consider the report of the Chief Executive & Growth Director. (Pages 51 - 54)
- Scrutiny Committee – Resources considered the report at its meeting on 27 January 2016 and its comments will be reported.
- 7 **Treasury Management Strategy Report 2016/17**
- To consider the report of the Assistant Director Finance. (Pages 55 - 64)
- Scrutiny Committee – Resources considered the report at its meeting on 27 January 2016 and its comments will be reported.
- 8 **The Prudential Code for Capital Finance in Local Authorities (Incorporating the Annual Statement of Minimum Revenue Provision)**
- To consider the report of the Assistant Director Finance. (Pages 65 - 72)
- Scrutiny Committee – Resources considered the report at its meeting on 27 January 2016 and its comments will be reported.
- 9 **Annual Pay Policy Statement**
- To consider the report of the Transactional Services Manager. (Pages 73 - 82)
- Scrutiny Committee – Resources considered the report at its meeting on 27 January 2016 and its comments will be reported.

- 10 **General Fund/Housing Revenue Account Estimates and Capital Programme 2016/17**
- To consider the report of the Assistant Director Finance. (Pages 83 - 118)
- 11 **Adoption of Powers to Make Harbour Directions**
- To consider the report of the Assistant Director Public Realm. (Pages 119 - 122)
- 12 **Review of the Constitution**
- To consider the report of the Corporate Manager Democratic and Civic Support. (Pages 123 - 184)
- 13 **Freedom of the City**
- To consider the report of the Corporate Manager Democratic and Civic Support. (Pages 185 - 188)
- 14 **South East Devon Joint Mitigation Executive Committee**
- To consider the report of the Assistant Director City Development. (Pages 189 - 216)
- 15 **Riverside and Ludwell Valley Parks Masterplan**
- To consider the joint report of the Assistant Director City Development and Assistant Director Public Realm. (Pages 217 - 230)

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

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

16 **ECC Energy Services Company and District Heating Procurement**

To consider the report of the Principal Project Manager (Development) City Development. (Pages 231 - 256)

Scrutiny Committee – Resources considered the report at its meeting on 27 January 2016 and its comments will be reported.

Date of Next Meeting

The next scheduled meeting of the Executive will be held on **Tuesday 15 March 2016** at 5.30 pm in the Civic Centre.

A statement of the executive decisions taken at this meeting will be produced and published on the Council website as soon as reasonably practicable.

Find out more about Exeter City Council services by looking at our web site <http://www.exeter.gov.uk>. This will give you the dates of all future Committee meetings and tell you how you can ask a question at a Scrutiny Committee meeting. Alternatively, contact the Democratic Services Officer (Committees) on (01392) 265115 for further information.

Follow us:

www.twitter.com/ExeterCouncil

www.facebook.com/ExeterCityCouncil

Individual reports on this agenda can be produced in large print on request to Democratic Services (Committees) on 01392 265275.

REPORT TO: EXECUTIVE
Date of Meeting: 9th February 2016
Report of: Chief Executive & Growth Director
Title: Devolution for the Heart of the South West

Is this a Key Decision?

No

Is this an Executive or Council Function?

Executive

1. What is the report about?

- To update members on progress with devolution discussions in the Heart of the South West.
- To present the prospectus that will inform negotiations with Government on a devolution deal
- To explain the issues and risks for the council in pursuing a devolution deal

2. Recommendations

That members:

- i. note progress with securing devolution for the Heart of the South West
- ii. note the implications of not participating in devolution negotiations
- iii. endorse the council's continued participation in devolution discussions and the preparation of a draft devolution deal, subject to:
 - a) Exeter and the wider growth area being recognised as a fundamental contributor to improving productivity and this being given due prominence in any proposed devolution deal
 - b) appropriate, place-based decision making arrangements that reflect sub-regional geographies (ie the Greater Exeter area), with powers and flexibilities to agree and oversee the programmes addressing productivity and economic development including investment in skills and business development
 - c) Exeter being represented directly in negotiations with government about a devolution deal
- iv. receive regular updates on devolution negotiations with government
- v. note the longer-term implications of relevant legislation, particularly in relation to devolution and governance
- vi. authorise the chief executive, in consultation with the leader of the council, to put in place appropriate management arrangements to ensure the council participates effectively in the various work streams that will prepare the detail of a devolution deal.

3. Reasons for the recommendations:

- i. To ensure that Exeter's position is optimised in any devolution deal

- ii. To enable devolution negotiations to proceed with the council's endorsement
- iii. To ensure that members are aware of the potential, wider implications of pursuing devolution

4. What are the resource implications including non-financial resources:

Aside from officer time, there are no resource implications at this point.

5. Section 151 Officer comments

There are no financial implications contained in this report.

6. What are the legal aspects?

These are covered in paragraphs 9 and 10 under Governance and Risks.

7. Monitoring officer's comments:

There are no issues of concern for the Monitoring Officer.

8. Report details

General background to devolution

8.1 Devolution is a key government policy objective, with a devolution deal already agreed between the government and the Greater Manchester Combined Authority in November 2014. Further deals followed with Sheffield (December 2014 and October 2015), West Yorkshire (March 2015) and Cornwall (July 2015). Additional powers for Greater Manchester were also announced in February 2015 (relating to health and social care). In general, devolution is expected to support the following areas of government policy:

- increased productivity
- skills and employment
- housing
- reducing the cost of the public sector

8.2 Following the 2015 General Election, the Cities and Local Government Devolution Bill 2015-16 has passed through the House of Lords, and received its First Reading in the House of Commons on 21 July 2015. It will give statutory foundation to various aspects of the devolution deals. The initial focus of the policy was on major cities and urban areas. The Government has since indicated that two-tier and rural areas of England should be included in any proposals for devolution with equal treatment for 'city' and 'county' bids for devolved powers.

8.3 To have their proposals taken into account in the autumn 2015 Spending Review, any further proposals for devolution from local areas were required to be submitted to the Treasury by 4 September 2015.

Devolution and the Heart of the South West (HotSW)

- 8.4 In response to the emergence of devolution bids from most areas of the country, and the government's clear steer that bids should relate to existing boundaries of local enterprise partnerships, initial discussions on a devolution "bid" by an alliance of south west (Devon and Somerset councils) were held at the SW Powerhouse Conference, on 5 August 2015.
- 8.5 Following this event, all leaders of HotSW councils agreed to signal an intention to government to develop a devolution bid for the HotSW. A Statement of Intent was submitted to Government and made public on 4 September 2015. The Statement contains a high-level set of ambitions and key principles, which were signed up to by all 17 local authorities, the National Parks and the HotSW Local Enterprise Partnership. The Statement of Intent set out three basic ambitions:
- i. **To unlock productivity:** creating the right conditions for growth, developing our workforce and capitalising on our assets
 - ii. **To improve health, care and wellbeing:** delivering world-class integrated health and care system within our communities
 - iii. **To improve connectivity and resilience:** ensuring businesses are not hampered by poor infrastructure or extreme weather
- 8.6 The Statement of Intent also contained eight key principles that would be used to develop governance arrangements to support the devolution deal:
- i. **A politically-led process** without local government reorganisation
 - ii. Powers devolved to councils collectively working with the **Heart of the South West** Local Enterprise Partnership, then passported to the **appropriate level**
 - iii. Space for collaborative propositions with **other authorities within the wider South West**, on issues where it would make sense
 - iv. **Equal voice** for all of the local authorities involved
 - v. A pragmatic and flexible, **mutually supportive approach**, ensuring that no authority would be disadvantaged, even if they would not directly benefit
 - vi. Arrangements focussed on gaining **new powers** that are currently unavailable to local authorities and will deliver benefits for all.
 - vii. Wherever possible, partners will use or adapt existing arrangements to manage and deliver on proposals to **avoid extra layers of bureaucracy**
 - viii. Cost-effective solutions, pursuing **fiscal neutrality** in line with Government expectations.
- 8.7 The Statement of Intent also emphasised the importance of **principal urban areas and principal growth areas** for employment, housing and infrastructure. This emphasis aligned with the council's ambition for:
- a focus on the place (ie the travel to work/functional economic area covering Exeter and much of East Devon and Teignbridge)
 - place-based governance arrangements to oversee the programme of work and building on the existing cooperation with East Devon and Teignbridge
 - a clear focus for Innovation Exeter and work with key partners
- 8.8 For the council and its partners, the principle of a devolution deal as outlined in the statement of intent, offered the potential to unlock powers, freedoms,

flexibilities and funding that might accelerate progress on strategic priorities on economic, growth, housing and infrastructure under the broad heading of Innovation Exeter.

Innovation Exeter

Innovation Exeter is a concerted and collaborative drive to encourage and support innovation resulting in business growth, increased business start-up activity, increased investment and, importantly, creation of higher paid employment.

Greater Exeter is already the key growth engine for the LEP area and the SW Peninsula. However the Innovation Exeter partners (Exeter City, East Devon, and Teignbridge District Councils, Devon County Council, the Met Office and the Royal Devon and Exeter Hospital Foundation Trust) are committed to building on this success, our comparative advantages as an economy, our key knowledge assets and by developing existing and potential business clusters. With the support of business, investors and Government, the resulting benefits can be accelerated and have a wider impact across the South West.

A summary of the key components of this approach are:

- a proactive Science Park and Innovation Centre acting as the physical hub for a thriving start-up and entrepreneurship culture
- access to investment funds for tech businesses
- greater influence over investment and funding of education and training institutions to provide
- an “educational golden thread”
- securing investment in transport and other infrastructure
- unlocking further housing and other investment
- Data analytics to problem solve, define and test solutions in our city and its wider economy
- proactive investment and place marketing
- a once-in-a-lifetime opportunity to build on the presence of the Met Office “super computer” including a Global Environmental Futures Campus and programme and Impact Lab at the Exeter Science Park
- an international research and Innovation Institute for climate change

8.9 In addition, the council and its partners consider that Exeter’s success in driving productivity is given due emphasis in the light of current productivity in the South West running at less than 80 per cent of the national average. In this context, it is of interest to note that:

- Between 2000 and 2015 City’s total output grew 50% faster than the HotSW LEP (48% v 32%, respectively)
- In 2015, productivity per job in Exeter (£44,224) was 25% higher than productivity across HotSW (£34,947)
- Over the next 15 years, productivity per job in Exeter (26%) is expected to rise almost three times as fast as the rise across HotSW (9%)
- Between 2004 to 2014 the number of people employed in Exeter rose by nearly 30,000 (34%)
- Over the same period, employment in HotSW rose by 19,000 (3%)
- Without Exeter, employment across HotSW could have fallen over this period
- Exeter will continue to create highly productive employment

- Inward commuters make up c35% of all employment within Exeter
- Exeter area driving productivity-led growth for HotSW

A HotSW prospectus to inform negotiations with government

8.10 Since September, work has continued on the preparation of a draft HotSW proposition, or prospectus, that builds on the three basic ambitions and forms the basis of more detailed discussions with government. A number of thematic groups were set up to develop the detail for the proposition:

- Health, social care and wellbeing
- Skills and employment
- Business support
- Resilience and connectivity
- Housing and planning
- Governance

8.11 The Devolution Programme Office initially set an ambitious timetable for submission of the document to government, which required all authorities to obtain member approval to the proposition in time for submission in December 2015. The scale of the task, and the need to address issues raised by various councils, meant that the timetable for submission slipped to February 2016. The council and its partners raised a number of issues about the emerging draft, including the following points:

- the need to emphasises the significance of places like Exeter and its huge potential for improving productivity and its impact on the Heart of the South West
- any devolution deal needs to provide an appropriate platform for Innovation Exeter
- focus on strengths in the region rather than an 'all things to all men' approach

8.12 A copy of the latest draft of the HoTSW devolution prospectus – *A Prospectus for Productivity* – is attached at Annex A. It is proposed that this document forms the basis of negotiation with government, although the composition of the negotiating “team” has not been determined and it is clear that this team will not include the leaders of all 17 Heart of the South West local authorities.

8.13 The Devolution Programme Office has published a “Combined Authority Road Map” that leads to the conclusion of a Devolution Agreement with government in 2016. It sets out a broad work programme and envisages six work streams, overseen by a 'shadow' Combined Authority, and delivery managed by a Programme Management Office:

1. Governance
2. Productivity Plan
3. The Skills Commission
4. Health and care integration
5. Business, enterprise and innovation
6. The Infrastructure commission work stream

8.14 It is proposed that council officers play an active role in these work streams over the next 12-24 months, which may involve temporary changes to existing roles and responsibilities.

9.0 Governance and devolution

9.1 Devolution deals come hand in hand with government expectations about governance reforms. It is clear from both the devolution deals agreed to date, and those currently being negotiated, that government expects, as a minimum, councils to commit to the setting up a **combined authority** with a government preference for combined authorities led by a directly elected mayor.

9.2 Combined authorities are a legal structure that may be set up by local authorities in England, following a **governance review**. They may take on transport and economic development functions, and any other functions that their constituent authorities agree to share. The purpose of combined authorities is to undertake joint functions through a public body with its own legal personality. To date five combined authorities have been set up:

- **The Greater Manchester Combined Authority** covering the ten metropolitan boroughs which formerly made up the metropolitan county of Greater Manchester: Manchester, Salford, Stockport, Tameside, Trafford, Wigan, Bolton, Bury, Rochdale, and Oldham
- The **Sheffield City Region Combined Authority** (formally the 'Barnsley, Doncaster, Rotherham and Sheffield Combined Authority'), covering the former metropolitan county of South Yorkshire.
- The **West Yorkshire Combined Authority**, covering Leeds, Bradford, Calderdale, Kirklees and Wakefield i.e. the former West Yorkshire *
- The **Liverpool City Region Combined Authority** (formally the 'Halton, Knowsley, Liverpool, St Helens, Sefton and Wirral Combined Authority'), covering the former metropolitan county of Merseyside plus Halton (Widnes and Runcorn);
- The **North-East Combined Authority** (formally the 'Durham, Gateshead, Newcastle-upon-Tyne, North Tyneside, Northumberland, South Tyneside and Sunderland Combined Authority'), covering the same

9.3 The membership and functions of the combined authority are to be specified in the Order setting it up. The Orders made so far have specified that each constituent authority is to appoint one elected councillor to be a member of the combined authority.

Elected mayors for combined authorities

9.4 The government has been clear about its preference for elected mayors to lead combined authorities.

9.5 As it stands, combined authorities have no directly-elected members. If the Cities and Local Government and Devolution Bill becomes law, a power will be introduced to create a directly-elected mayor for a combined authority. The Greater Manchester and Sheffield combined authorities have agreed to the introduction of a directly-elected mayor under 'devolution deals' agreed with the Government. For district councils, it is of interest to note that the more-

advanced Derbyshire and Nottinghamshire deal document seeks to create a single combined authority for the region by March 2016 with a new elected mayor. This will be the first combined authority of its kind featuring district, borough, city and county councils.

A Heart of the South West Combined Authority?

- 9.6 Whilst the Heart of the South West Leaders have shown limited appetite for an elected mayor, there has been wider acceptance of the proposal to set up a combined authority with a single leader and a seat at the table for all councils. The latest draft of the proposition includes the following statement:

'Our proposals commit the partners to "best endeavours" to create a Combined Authority with appropriate 'strong leadership' and accountabilities. We will carry out a governance review to identify the most effective structure and processes for putting this commitment into effect - ideally with a target inception date of either April 2017 or April 2018.

The Governance Review shall draw on the principles outlined in our Statement of Intent as a starting point. The review will proceed in tandem with both the enactment of the Cities and Local Government Bill, and the progress of our devolution agreement negotiations and requirements of its effective implementation.

The Governance Review will set out the powers, roles, functions, and operational arrangements for the Combined Authority - and propose its relationships with and to key delivery partners nationally, locally and with neighbours.'

Governance reviews and the Cities and Local Government Devolution Bill

- 9.7 Whilst the proposition is being presented as a means of starting negotiations with government and all councils therefore have the option to approve - or not - the final deal, it is important to flag up early the risks associated with early commitment to a combined authority and a governance review.

Governance Reviews

To establish a combined authority, a local authority or authorities must carry out a 'governance review' which may recommend the establishment of a combined authority for their area, or including their area. They must publish a "scheme" for the creation of a combined authority. Publication of the scheme requires the consent* of the local authority areas included in the scheme.

The Secretary of State must consult the authorities that would be covered by the combined authority, and must be satisfied that the establishment of a combined authority will contribute to economic development and transport policy in the area in question. There is also a requirement that:

***In making the order, the Secretary of State must have regard to the need—
(a) to reflect the identities and interests of local communities, and***

(b) to secure effective and convenient local government

9.8 It is also important to note the provisions of the Cities and Local Government Devolution Bill, which is currently passing through parliament.

Cities and Local Government Devolution Bill

Clause 16 of the bill covers Governance arrangements etc of local authorities in England. It provides for the Secretary of State to make regulations making provisions about local authorities' governance arrangements, their constitution and membership, and structural and boundary arrangements. Governance arrangements mean the arrangements an authority operates for taking decisions - executive arrangements, the committee system.

For structural, boundary, or other changes, the context in which this power could be used is where Devolution Deals, conferring powers and budgets on an area, are agreed by Government with areas where it may not be appropriate simply for the existing councils to establish a combined authority, or indeed where a combined authority is not appropriate.

*An example may be where a single county, which may or may not be a unitary authority, covers a functional economic area which may be the basis for a Devolution Deal, and **all the constituent councils involved agree*** that the strong and accountable governance needed for the new powers and budgets to be conferred on the area necessitates simplifying the local government structures for the area. That may involve mergers of councils, moves to unitary structures, or changing the democratic representation of the area with different electoral cycles and fewer councillors.*

This power is intended to enable the Secretary of State to effect those changes simply and efficiently.

The original bill stated that **regulations under this clause are to be made only with the consent of the local authorities to which the regulations apply. The government has recently amended the bill (Amendments 25-29) to introduce:*

- *powers for the Secretary of State to allow districts and counties to join or form a Combined Authority without the consent of the other;*
- *the ability of the Secretary of State **to impose a Combined Authority in an area - even if not all of the partners consent;** and*
- *the ability of the Secretary of State to move transport and growth powers from the county council and instead place these in the districts, where it*

has been decided that districts are to join a Combined Authority without the consent of the county council.

In certain circumstances it would appear the Secretary of State could also remove powers from a district and transfer them to a county

It should also be noted that the Secretary of State's powers in this regard are time limited and will cease in March 2019.

10. What risks are there and how can they be reduced?

- 10.1 The vast majority of local authorities across the country have expressed interest in negotiating devolution deals. A primary reason for this is government's changes to the allocation of funding for growth and productivity initiatives, with prioritisation given to those areas that have negotiated devolution deals. There is a risk that the city and sub-region loses out through non-participation in a devolution deal.

Mitigation: Non-participation in the negotiation phase of a devolution deal is not considered to be in the city's best interests. The council and its partners have made significant representations about emerging drafts of the prospectus to ensure that the importance of the city as the engine of past and future economic growth for the wider sub-region is recognised.

- 10.2 In looking at effective and convenient local government, governance reviews have the potential to embrace local government reorganisation. There is a risk in the longer term that the city runs the risk of losing its distinctive 'voice' and has a much-reduced influence over its own destiny.

Mitigation: Whilst the prospectus commit the partners to "best endeavours" to create a combined authority and a governance review, this has no legal status as any devolution deal, including formal commitment to a governance review would require formal approval by full council. Notwithstanding this position, it is important to note the provisions that the government has added to the Cities and Local Government Devolution Bill, including the ability of the Secretary of State to impose a Combined Authority in an area - even if not all of the partners consent.

11. What is the impact of the decision on equality and diversity; health and wellbeing; safeguarding children, young people and vulnerable adults, community safety and the environment?

The impact of a devolution deal would need to be assessed in due course.

12. Are there any other options?

These are presented in the paper.

Chief Executive & Growth Director

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

Background papers used in compiling this report:-

None

Contact for enquires:

Democratic Services (Committees)

Room 2.3

01392 265275



Devolution

for the Heart of the South West

A Prospectus for Productivity



Contents

03

The Heart of the
South West

04

Executive
Summary

06

Our Vision
and Goals

08

National Context

09

Local Context

13

From six Golden
Opportunities to
six Key Challenges

16

Our Negotiating
Prospectus

25

Foundation 3:
Towards a Combined
Authority

26

Next Steps

27

Outline Roadmap

The Heart of the South West



Page 17

- Key Road Route
- Key Rail Route
- Planned Infrastructure Improvements
- Proposed Infrastructure Improvements

- Principal Growth Areas	- Renewable energy potential	- Universities	- Innovation Centres	- Hinkley Point Nuclear Site
- Secondary Growth Areas	- Enterprise Zones	- Science Parks	- Marine Technology	- Yeovil Aerospace

Executive Summary

In September 2015 the Heart of the South West (HotSW) submitted its devolution Statement of Intent to Government. After considerable further work during autumn 2015, the partners - 17 local authorities, two National Parks, the Local Enterprise Partnership (LEP) and the three Clinical Commissioning Groups - are now in a position to commence detailed negotiations with Government on a devolution deal.

Government has challenged local leadership teams to treat productivity as 'the challenge of our time'. They have asked us to do that by 'fixing the foundations' of infrastructure, skills, and science through a devolution revolution delivering long-term public and private investment.

Heart of the South West productivity continues to lag behind national productivity and is currently under 80% of the UK average. To redress this we need more, better jobs, a healthier, higher skilled labour market and new homes for our growing population.

With Government support for our proposition, by 2030 the Heart of the South West can accelerate delivery of 163,000 new jobs, 179,000 new homes and an economy of over £53bn GVA. To put this in context, this is more growth over the next fifteen years than Bristol, Birmingham and Nottingham (the three non-'Powerhouse' core cities) have delivered in the last fifteen.

To do this we will exploit and deliver our Golden Opportunities around investment in nuclear energy at Hinkley, across the peninsula in marine, aerospace, advanced manufacturing and environmental futures. We will connect our rural communities to these transformers and address the challenges of ageing and health-related worklessness with unprecedented

health and care integration.

We will take responsibility for fixing our foundations. We seek Government's support to do this through negotiation and delivery of a far reaching devolution deal for the Heart of the South West.

Our approach to delivering this transformation focuses on a comprehensive Productivity Plan:

- **For people:** we will build on Government's own national reconfiguration of the skills system to supply business with the skills it needs and a labour market able to deliver productivity per job and per hour at 'Greater South East' levels (outside Inner London). Our plans for health and care integration will support a significant proportion of our non-working population into work.
- **For business:** our Growth Hub will enable business growth and internationalisation following closure of the national Business Growth Service. We will augment this with specific policies and initiatives to realise national priorities implicit in our Golden Opportunities.
- **For place:** we will provide the infrastructure and housing required and make the Heart of the South West investment ready. We also recognise that much of our growth will occur in specific sub-regional economic geographies. We will plan and manage change in these sub-regions to ensure their connectivity with each other, with the rest of the country and globally. We will make sure that rural areas access and leverage these opportunities and build on Government's 10 point plan for rural productivity geographies.¹

¹ The Heart of the South West's economic transformational opportunities were identified and agreed in our Strategic Economic Plan, March 2014.



Cohesive, coherent leadership and governance of this transformation is crucial. We propose to establish a Combined Authority to provide leadership, supported by sub-regional delivery mechanisms so powers and resources are deployed on the scale at which our economy functions. These arrangements will develop new ways of working to address priority issues.

Our proposals build upon successful and strong business leadership through our Local Enterprise Partnership: we cannot deliver effective economic interventions without a strong business voice.

If we do not act, the Heart of the South West will not be able to contribute to the Government's ambition to meet the national productivity challenge as set out in Fixing the Foundations.

This document outlines our position and objectives. An early agreement on heads of terms for a devolution deal will trigger the start of our governance review and formulation of our Productivity Plan.



New housing across the Heart of the South West



Bridgwater Enterprise and Innovation Centre

Our Vision and Goals

Government recognises that fixing the foundations and devolution are the projects of a generation. Our key challenges are:

- An insufficiently skilled workforce and limited pool of available labour: many young people move away to live and work, rather than stay or move into our area.
- A need for more infrastructure to support our existing businesses and workers and to attract new ones. We need better and more resilient infrastructure: roads, railways, broadband and housing.
- Enabling a more effective, far-reaching support environment for businesses to sustain those we already have and make the area more attractive to inward investment and home-grown entrepreneurs.
- Managing the significant and increasing cost of health and social care, which combined with our ageing population threatens the viability of public services unless radical reforms are completed.

Productivity-led growth in the Heart of the South West will have three dimensions:

- **People:** who are healthy, with the skills they need to access higher value jobs and grow their careers.
- **Business:** more businesses creating new jobs and increasing productivity.

- **Place:** sustainable growth across the geography, supported by modern infrastructure and accelerated housing delivery.

We signalled our intention to meet these challenges with our Statement of Intent. The submission of this more detailed proposition shows how serious our intent is. We believe the proposals we have committed to developing will realise our local ambitions and make decisive, important contributions to Government's national priorities.

With Government support for our proposals we will redress our productivity gap and help us manage demographic challenges more effectively. Key outcomes we will achieve by 2030 include:

- £4bn additional in GVA for the UK economy.
- 163,000 new jobs.
- Infrastructure that supports our ambitious plans.
- 179,000 more homes, and accelerated delivery in major growth points.
- Wage levels higher than the national average.
- Additional tax revenue for the Treasury of £113million per year.
- Apprenticeship starts increased by 400%.
- Every young person in education, employment or training.
- £1bn per year welfare benefits savings as more people enter employment.
- 60% of our workforce qualified to NVQ level 4 or above.
- Faster more reliable rail services with greater capacity.
- Faster and more reliable journey times on our road network, with less congestion.
- 100% superfast broadband coverage.

The Heart of the South West has a strong track record of delivering in partnership for residents and businesses:

- Securing and supporting major national and international investment in the future of the nuclear industry at Hinkley Point.
- Plymouth and South West Peninsula City Deal.
- A total of £195.5m secured through Growth Deals – including the highest Growth Deal 2 settlement of any LEP area in the country – to deliver a comprehensive programme of projects in pursuit of growth.
- Exeter University, Science Park, Innovation Centre and Innovation Zone.
- Connecting Devon and Somerset superfast broadband.
- Three Enterprise Zones: South Yard in Plymouth to support innovation and growth in marine industries, Huntspill Energy Park near Bridgwater to support the growth of a new nuclear cluster catalysed by investment in Hinkley and east of Exeter sites aligned to opportunities in environmental sciences and big data.
- Delivery of Plymouth Science Park by Plymouth City Council and Plymouth University, now entering phase 5, creating the largest science park in the south of England.
- Better, more reliable roads, including major improvements to A303, A358, A30 corridor, M5 Junctions and A361 North Devon Link.
- The Peninsula Rail Task Force.
- Connecting communities in rural areas.
- Exeter and East Devon Growth Point.
- A high quality and thriving Further Education Sector.
- Health and social care initiatives including Somerset's 'Symphony' Vanguard project, Exeter 'ICE', Torbay's Integrated Care Organisation and 'One System One Budget' in Plymouth.

We can scale up and build on these experiences. However, without the comprehensive framework that our governance proposals will deliver, the Heart of the South West and national Government will miss out on the solutions, linkages, and effectiveness that collective leadership can achieve.

A Heart of the South West devolution agreement with robust governance structures, accelerated delivery, and more focused use of scarce resources is the optimal way for Government to assure itself that the national Fixing the Foundations plan is being proactively and consistently led and delivered across the Heart of the South West.

In this prospectus we set out our goals for 2016-2030 and how we will deliver the long-term and evolutionary work required to achieve our devolution revolution.



FlyBe Academy

National Context

Government set out its long-term ambitions for the UK economy in 'Fixing the Foundations', its productivity plan for 2015-2020. This framework outlined how long-term investment and a dynamic economy could raise productivity and lift living standards. Government's invitation to areas to propose ways that devolution could contribute to this agenda led to our Statement of Intent being submitted on 4th September 2015.

With policy developments in the autumn, and the Spending Review, Government has firmed up the financial intentions behind the productivity plan. In terms of local contributions leadership teams need to deliver an extensive portfolio of reforms:

- In skills and employment, 2016-20 will see major reforms of the post-16 and adult skills systems (both of colleges and providers on the supply side, and of loans for learners on the demand side). Post-16 Area Reviews and introduction of the Apprenticeship Levy offer opportunities to transform the delivery of local labour market skills, however the demands of transition may be acute.
- Physical investment will need to be managed in the context of higher performance expectations for planning regimes, new approaches to housing supply (especially starter home ownership) and proactive asset management at a public estate as well as local authority level. Local leadership teams will also need to play into the revision of the National Infrastructure Plan with new commitments to flagship schemes like HS2 and nuclear energy.

- As the national Business Growth Service closes by March 2016, new pressures will be placed on emerging local Growth Hubs. For innovation, local and regional Science and Innovation Audits will seek to shape national priorities as Research Councils and Innovate UK come together in Research UK with a range of new products.
- These agendas, and others, need to be delivered without diverting attention from existing commitments. These include City Deals, local Growth Deals, the European Structural and Investment Fund programmes, and other legacy programmes, such as the Regional Growth Fund, Growing Places Fund, existing and newly announced Enterprise Zones.

These agendas sit alongside, and will be enabled by, devolution and fiscal reforms and managed in the context of continued public sector expenditure constraint.

The challenge for the Heart of the South West is to shape these national priorities to our unique circumstances. We have drawn on our Strategic Economic Plan to describe the causes of our productivity challenge, identify our key Golden Opportunities and understand how to build on our track record of success.



Hinkley Point C, Somerset

Local Context

The Heart of the South West covers most of the south west peninsula. Its 1.7 million residents live in a mixture of rural and urban settings served by a stunning natural environment and rich cultural heritage.

Most of our businesses are small and medium sized enterprises (SME) employing fewer than five people, providing excellent potential for growth and innovation. We are also home to cutting edge engineering and manufacturing industries including companies of global significance:

- Aerospace and advanced engineering industries employ more than 23,000 people and contribute over £1billion to the economy. Businesses in the area also have specialisms in advanced electronics/photonics, medical science and wireless and microwave technologies.
- Analysis of the comparative advantages of our local assets has identified that the Exeter City Region can make a unique contribution by becoming a globally recognised centre of excellence in weather and environment-related data analytics. Exeter is home to the Met Office, the city leads Europe in combined environmental science, data and computational infrastructure, hosting 400 researchers in environmental and sustainability science. From 2017, it will also host the most powerful supercomputer in Europe.

- The first of the UK's new generation of nuclear reactors being constructed at Hinkley Point will deliver substantial economic benefits across the south west. It is part of our growing low carbon and energy sector and offers £50billion worth of business opportunity in the nuclear sector within a 75-mile radius of Hinkley Point.

- We are a global centre of excellence for marine science and technology, including Plymouth University's Marine Institute and the Plymouth Marine Laboratory.

- There are 30 working fishing ports across the Heart of the South West, including the two largest fishery landings in England at Brixham and Plymouth.

- The South West Marine Energy Park, the country's first, serves the wider south west peninsula, and offers direct access to superb physical assets and resources including the north Devon and north Somerset marine energy coasts for opportunities in wind, tidal and nuclear energy.

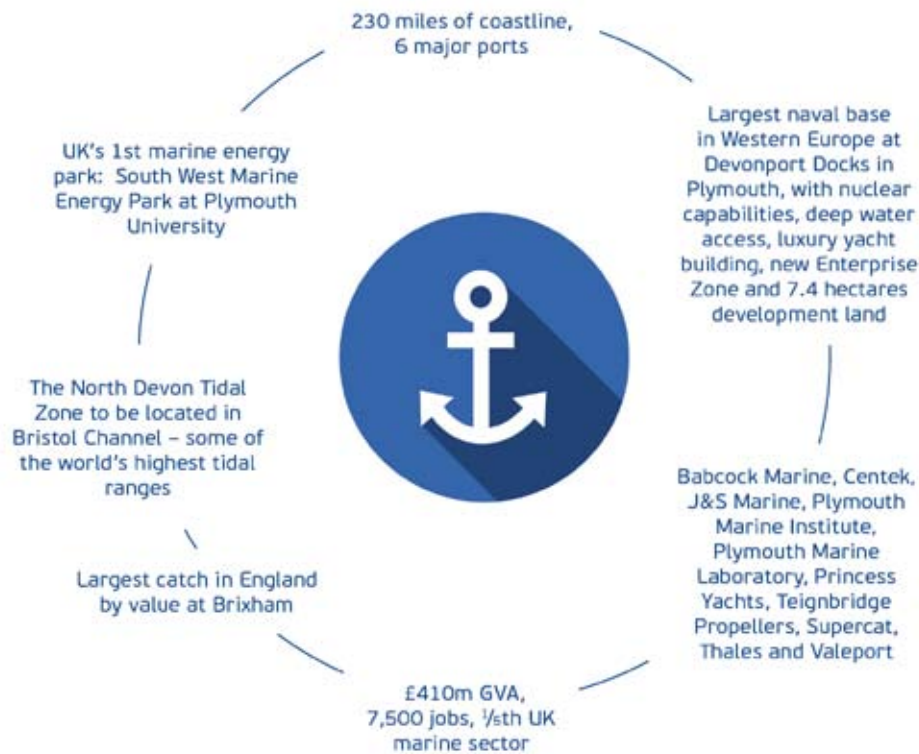
Our mixed economy also serves our traditional strengths. Our tourist and visitor economy attracts millions of visitors per year and our food and drink sector has a significant impact on national GVA (4.2% in 2011).

Whilst our largest employment sectors remain public administration, health and education, our Local Enterprise Partnership's Strategic Economic Plan recognises our area as having 'New World' potential if opportunities can be capitalised upon and the right conditions for growth created.

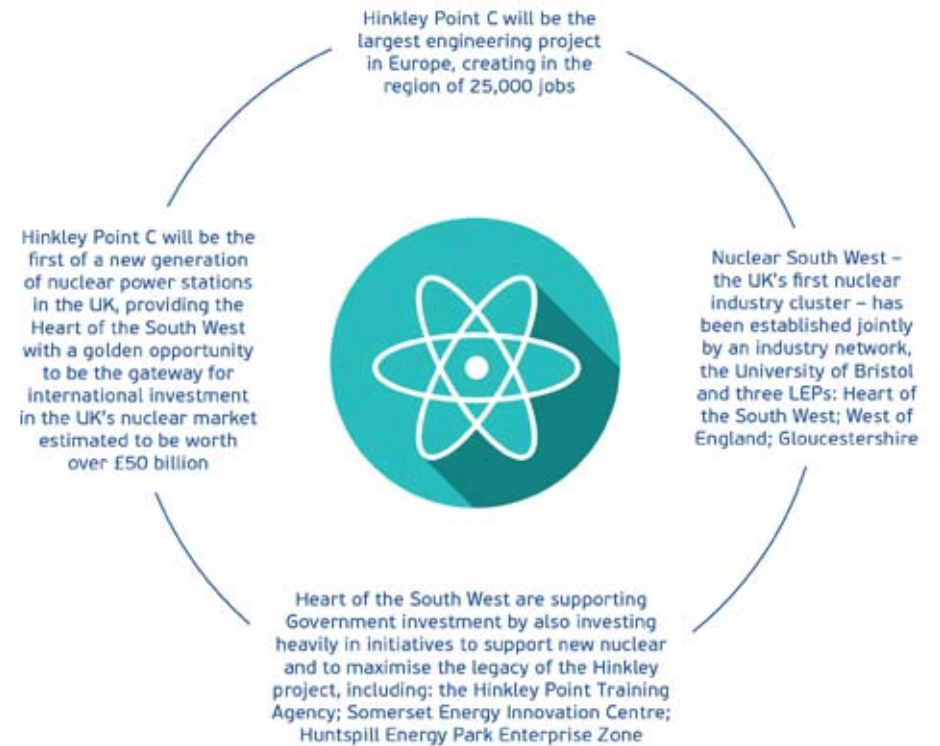
Golden Opportunities

We have identified six Golden Opportunities that we will use to drive productivity and economic growth whilst continuing to support our diverse economy and taking advantage of new opportunities as they emerge.

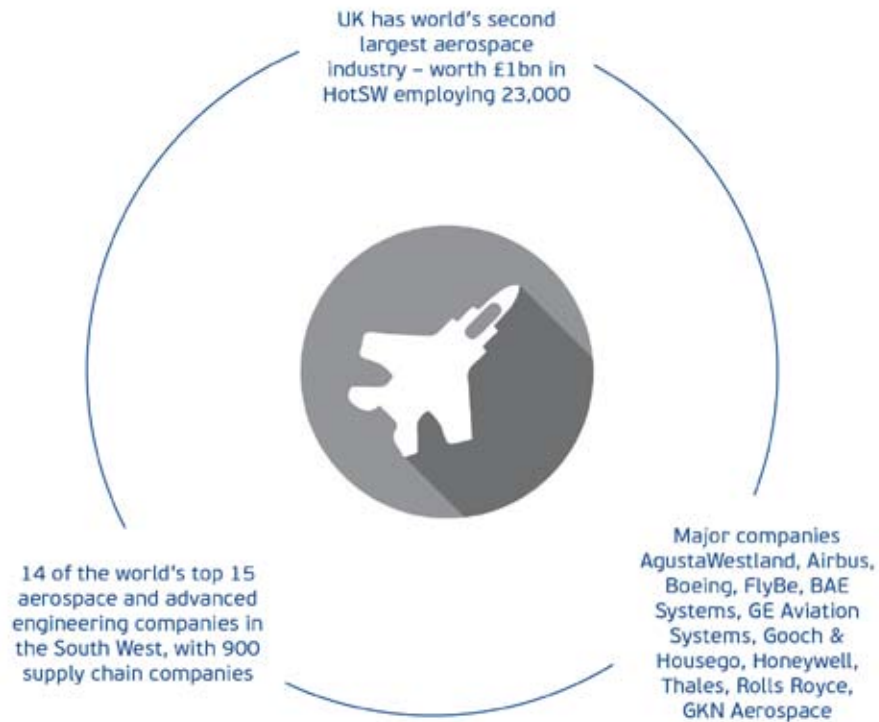
Marine



Nuclear



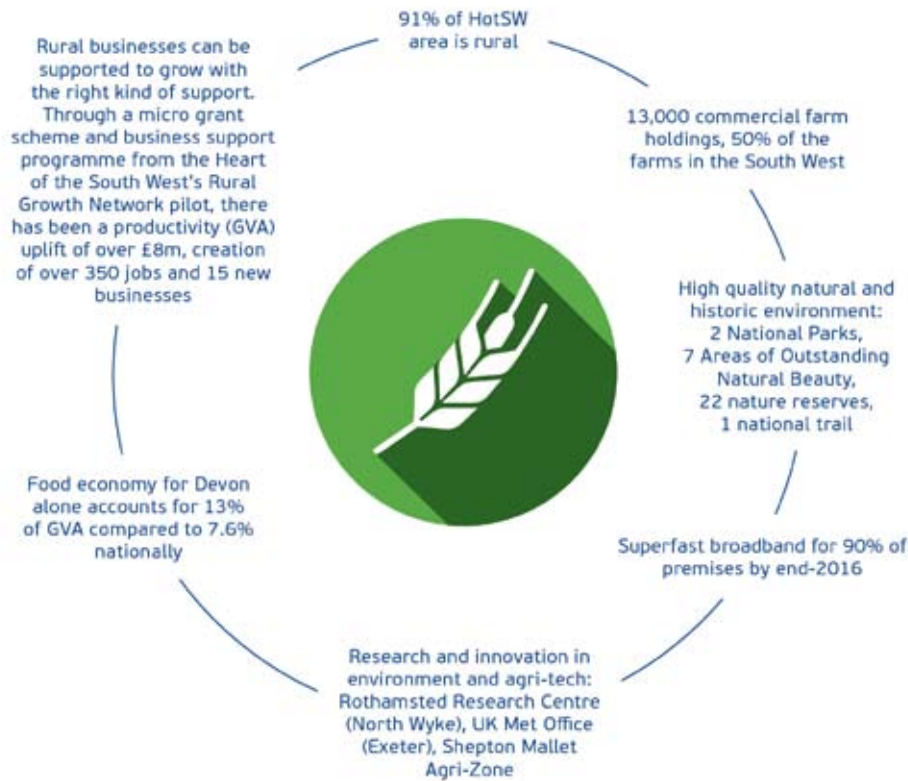
Aerospace and Advanced Engineering



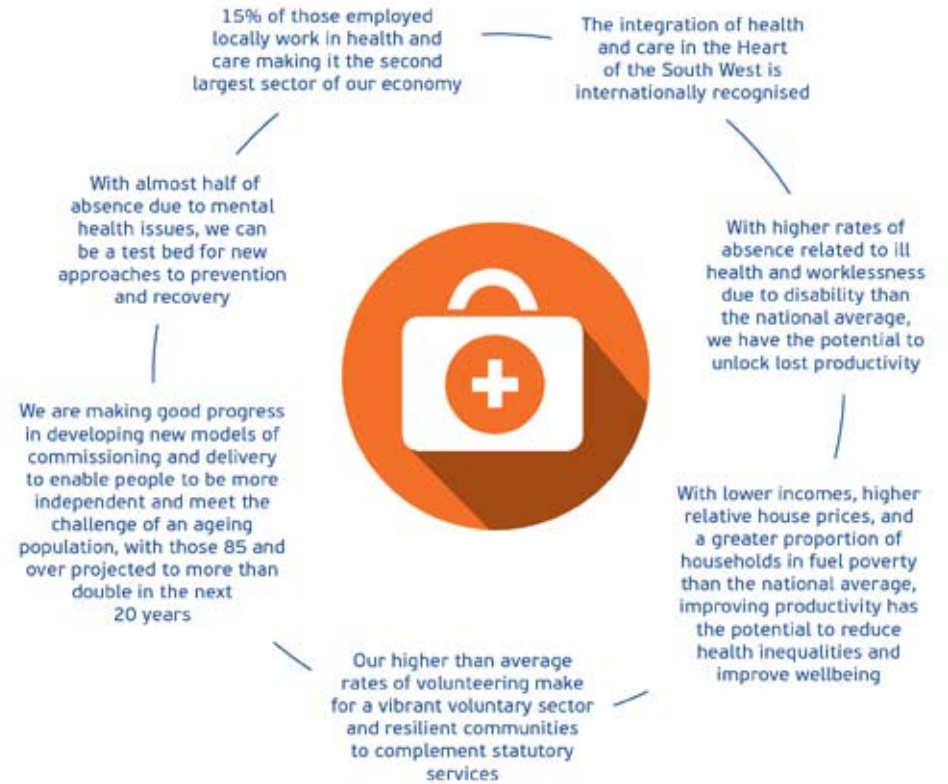
Data Analytics



Rural Productivity



Health and Care



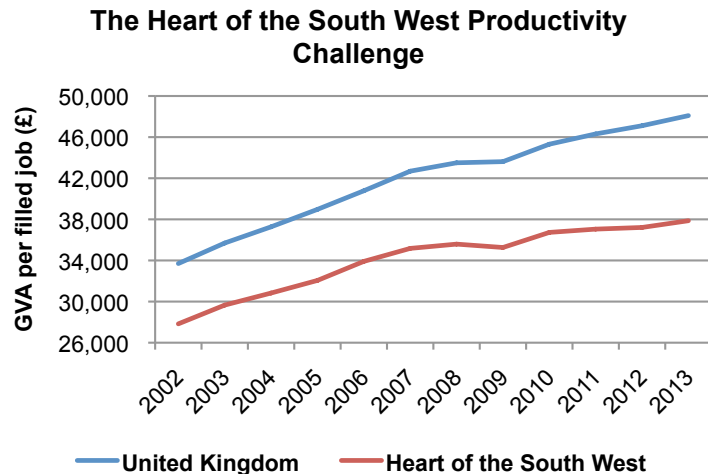
From six Golden Opportunities to six Key Challenges

Realising our vision, goals and targets requires us to address and solve six major, interrelated economic and societal challenges:

1. Our productivity is too low and growing too slowly

Whilst not uniform across the area, in 2013 our productivity per job filled was below 80% of UK averages, a fall of around 3% over the last decade. Our forecasts suggest that unless we unlock our emerging transformational opportunities our productivity will continue to lag behind the rest of the UK.

This performance is a manifestation of poor comparative skills levels, labour market shortages, insufficient infrastructure, and poor connectivity, the human and financial cost of ill-health, a lack of joined-up support for business and need for higher value industrial densities.



2. Our labour market is limited in size and skills levels

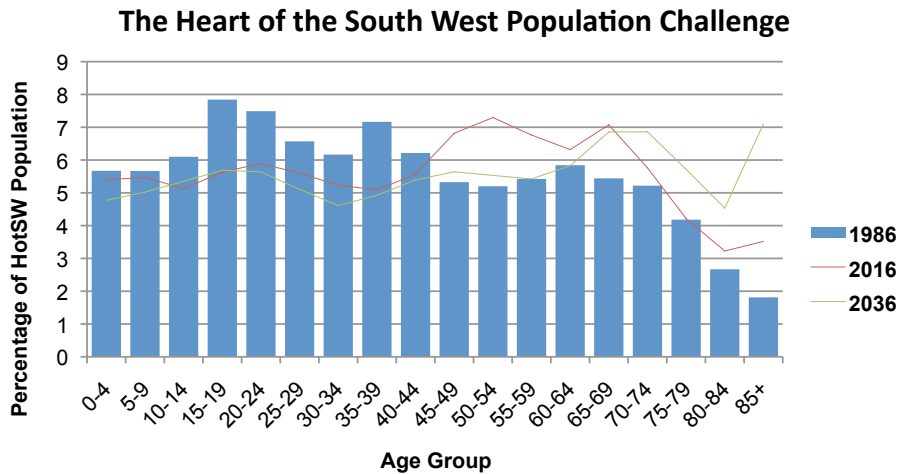
A key factor in our low productivity is a shortage of workers and a shortage of skills. Low unemployment means businesses have a limited labour pool from which to draw recruits. Higher level skills attainment is below national averages and out-migration of our talent to London and other metropolitan centres means that employers regularly report labour shortages and recruitment difficulties.

3. Our enterprise and innovation performance is inconsistent and needs to improve

Evidence shows that businesses that take up support do better than those who don't. However, the business support landscape is complex and confusing and short-term Government funding for programmes creates uncertainty. The Heart of the South West ranks 38th out of 39 LEP areas on many measures of innovation including patent registrations and Innovate UK funding. We cannot resolve these science and innovation issues without more highly skilled workers and a stronger innovation environment, particularly around our Golden Opportunities.

4. We are a leader in facing the challenges of an ageing population

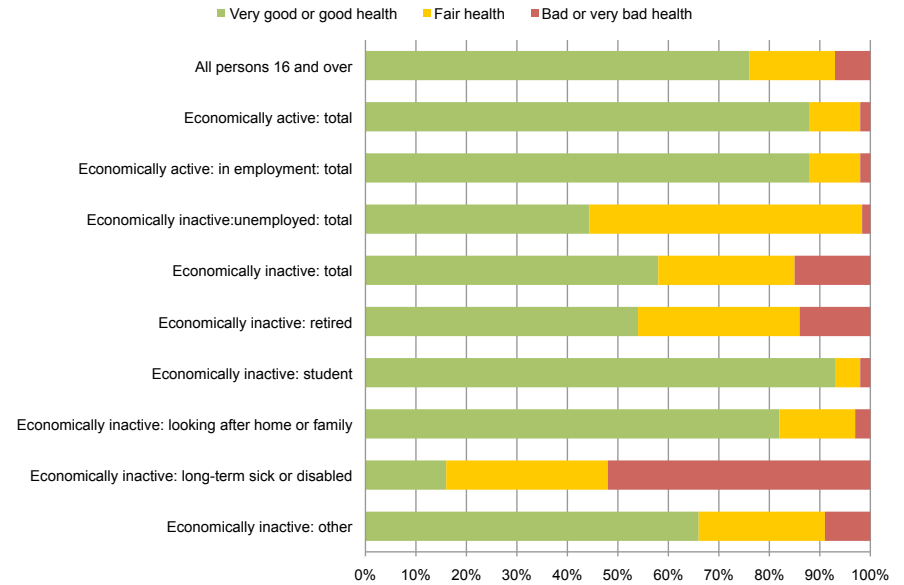
Our population profile shows a significant increase in the proportion of our residents aged 65 or over and a corresponding decrease in the proportion of working age people under 45. By 2036, 17% of our population – more than 327,000 people – will be over 75 years of age.



5. We are a leader in facing the challenges of health and care integration

Particularly related to our demography, our health and care system needs to be reshaped to meet social, economic and financial pressures. Our area performs poorly for mental health outcomes when compared to national figures, making this a key priority.

Heart of the South West Economic Activity by General Health



A healthier population means lower public sector costs and increased economic activity. To fill 163,000 more jobs we must engage the non-working population in the labour market which will require a significant health and care contribution.

Employment of people with physical disabilities, learning disabilities, mental health issues and other long-term conditions is strongly correlated with their achieving better outcomes and being less dependent on publicly funded health and care services. This represents considerable productive potential.

6. Our infrastructure and connectivity needs to be modernised and more resilient

More infrastructure especially housing, transport links, broadband, mobile connectivity and energy grid improvements are required to make our area more attractive to investors and viable for the future. Improving these conditions are key to giving businesses in our area the tools they need to compete in global markets, attract future entrepreneurs and secure investment. We must overcome these barriers if we are to capitalise on our transformational opportunities.

Fixing the Heart of the South West and our contribution to fixing the national foundations

The current landscape of funding and decision-making has only taken us so far. Despite our achievements to date we need freedom to act more decisively. A devolution agreement means we can take responsibility for our unique challenges and capitalise on our Golden Opportunities.

The dividend for the National Productivity Plan is considerable. Besides the specific metrics identified in our goals, the UK will benefit from global and national energy investments and security, environmental futures and big data capabilities, an at-scale set of solutions to health and care integration and public service reforms.

This negotiating prospectus lays out the heads of terms of an agreement to create the foundations for a transformational jump in productivity. It will deliver quick wins this decade whilst planning for the medium and long-term.

Fingle Bridge, Devon



Improvements by Rail



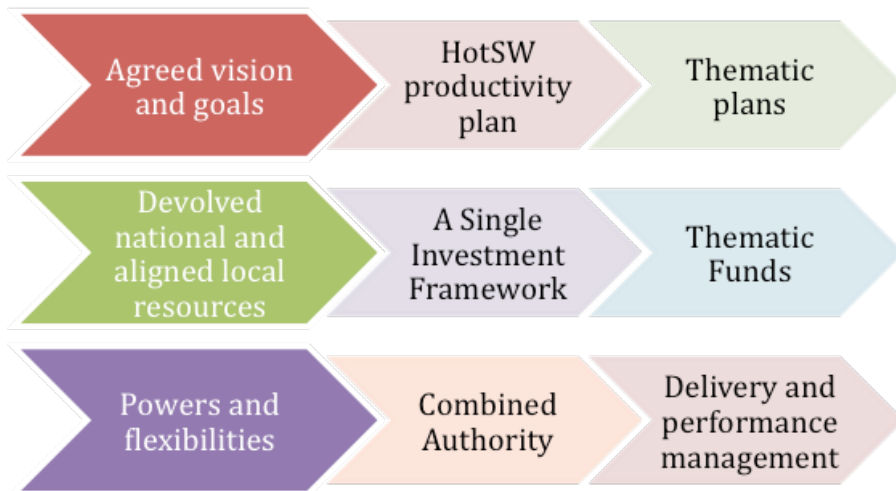
Met Office, Exeter

Our negotiating prospectus

We wish to agree with Government a shared commitment to building three pillars of a devolution deal for the Heart of the South West.

Foundation 1: The Productivity Plan

The Productivity Plan will be our instrument for fixing our foundations. It will incorporate the refresh of our Strategic Economic Plan and scale up local growth agendas for 2016-20 incorporating Spending Review and public service reform priorities. It will include proposals for our Strategic Labour Market Plan and Strategic Infrastructure Plan. It will also reflect our ambitions for integration of health and social care where they link to our devolution deal.



Foundation 2: The Single Investment Framework

The Single Investment Framework will set the financial parameters of our agreement and encompass devolved funds and locally aligned resources. It is likely to include:

1. A single infrastructure fund to provide the physical investment for backbone, nationally-significant infrastructure.
2. A housing delivery instrument to accelerate housing delivery by unlocking key sites and stimulating market activity.
3. Skills and employment allocations to enable remodelling of the skills and employment landscape.
4. Devolved health and care budgets delivering agreed business cases with NHS England and other partners.

We believe agreement to formulate these two foundations will enable early delivery of accelerated housing development, skills reform, and improved business support, with health and social care reform and infrastructure development taking place in parallel.

These two foundations will be overseen and assured by a Combined Authority arrangement. This will, once established, provide the Heart of the South West counterpart to Government for planning and management of our devolution deal. It will take responsibility for the powers, resources and deliverables outlined below.

People

A highly skilled, high productivity labour market meeting businesses' employment priorities

We are clear that without proactive leadership and intervention our skills profile will remain a chronic block to fixing our foundations and delivering our vision.

We intend to use national reforms, led and shaped locally, to deliver a labour market capable of achieving productivity at Greater South East levels (excluding the distorting effect of Inner London).

Government's expectations of local leadership teams for 2016-20 as laid out in existing devolution agreements, the 2015 Spending Review and other policies include:

- Planning and management of phased devolution of post-19 public sector adult skills budgets, leading to full commissioning and funding of providers from 2018-19.
- Chairing and facilitation of successful Area Reviews of post-16 education and training, implementation of review recommendations including reshaping provision where required.
- Co-design of apprenticeship reforms including introduction of the levy and deployment of Apprenticeship Grant for Employers.

- Co-design of future employment support programmes with DWP and performance management regimes.

The Combined Authority will take responsibility for delivering these agendas, augmented by specific asks around:

- Specification and delivery management of Careers, Education Information, Advice and Guidance in schools and colleges.
- Support from Government to deliver a wider Higher Education offer for Somerset, including a new university.

Our Offer	Our ask of Government
Responsibility for reshaping the skills and employment system. Delivered through formulation, agreement, resourcing and delivery management of a business-led Strategic Labour Market Plan.	Full devolution of powers to the Combined Authority, phased over a number of years, with relevant skills, education and employment budgets into the Single Investment Framework. Government departments and agencies to co-design and co-deliver the Strategic Labour Market Plan.



Why is this important?

Our analysis has shown:

- Young people are not getting the independent, quality careers and education advice and guidance to help them make informed decisions on their education and training.
- Employer productivity improvements are held back by shortages and lack of skills in local labour markets.
- The national provider system is poor at anticipating and securing future skills needs.
- Support for the workless is ineffective for those furthest from the labour market. Our evidence shows a distinct lack of progress for those in receipt of Employment Support Allowance despite significant investment and reform.

Key outcomes

With the powers and funding outlined above we believe a devolution deal will allow us to deliver the skilled workforce our productivity ambition requires. We will work with Government to design system reforms that deliver:

- 40,000 people helped to move from benefits into paid work.

- Benefit bill savings to Government of £1bn per year.
- Additional money earnings locally per year of £800m.
- Additional tax income for Government of £113m per year.
- All young people in employment, education or training.
- Apprenticeship starts increased by 400% and aligned to our six Golden Opportunities.
- Parity of esteem between vocational and academic pathways.
- Maximised links between Golden Opportunities and skills development to encourage young people into our area's high tech industries.
- A university for Somerset.



Babcock Training

A national demonstrator of effective health and care integration for improved wellbeing

The Heart of the South West already has well established and innovative local approaches to health and care integration, however our system continues to be under demographic pressure. We now have an opportunity to bring together resources across the public sector to deliver the systemic reform needed by the health and care system and through strong local leadership can engage communities and voluntary sector in that enterprise. We want to create a system where prevention and early intervention are an integral part and which rethinks its approach to mental health and wellbeing. In summary:

Our Key Offer	Our ask of government
Building on the NHS 5-Year Forward View, we will deliver a 'whole system' approach to health and care.	Devolution of 5-year place-based population budgets for health, care, and public health
This will include:	
Devolved commissioning of primary and associated specialist care services including mental health.	
Flexibility in regulation and budgeting, including freedom for partners to pool resources.	
Greater emphasis on public health and the link between health and housing.	
Capitation-based payments.	
Support to address skills shortages.	

Why is this important?

We want people to lead longer, healthier, more productive and fulfilling lives while ensuring the sustainability of our health and care services.

Health outcomes are generally good and life expectancy is high, but too many people develop avoidable long-term multiple conditions which affect both the quality of their lives and their ability to work. People with mental health conditions are in too many cases poorly served by a fragmented system in which there is no effective link between preventive, primary care and acute services.

Health and care is the second largest sector in our economy but productivity lags behind other areas and there are workforce and skills shortages which affect both the quality and cost of provision. These issues can only be tackled through whole-system reform and a closer matching of strategy and resources to local need.

Our ageing population demography is ahead of many other areas meaning we have an opportunity to lead the way in tackling the associated health, care and economic challenges.

Key outcomes

Devolution will help us create a health and care system that supports a healthier population, greater personal independence and wellbeing, and improved workforce productivity:

- Better physical and mental health outcomes.
- A system that is integrated and financially sustainable, offering a whole system approach, and is a test-bed for Government innovation.
- People of all ages encouraged and supported to make healthy lifestyle choices and manage their own care, therefore diverting or delaying dependency.

Devolution offers the potential for us to go further, faster, and bring reform initiatives together at a scale and with a scope that can provide a demonstrator (given our advanced demographic profiles) to health and care reforms in other parts of the country:

- The NHS 5-year Forward View and the requirement on areas to develop transformation plans for local areas.
- The financial settlement for local government, including the requirement to submit integration plans by 2017.
- Changing Better Care Fund guidance and the option to work across local authority areas to plan and deliver it.
- The 'Success Regime' applying to NEW Devon Clinical Commissioning Group and its impact on, and learning for, other health and care economies.



Improved health care and wellbeing.

Business growth and innovation

Government expectations of local leadership teams for 2016-20 includes sustaining and developing support for business growth after closure of the Business Growth Service, as well as enabling distinctive contributions to national research and innovation-led growth priorities. For us this means scaling up the reach and impact of our Growth Hub and realising the full potential of our Golden Opportunities.

To deliver this Heart of the South West partners already have primary responsibilities for:

- Operation and performance management of the Growth Hub and shaping of national agency (eg UKTI) access and support to Heart of the South West business.
- Strengthening the coherence and effectiveness of local innovation eco-systems around our Golden Opportunities - notably the marine cluster anchored by Plymouth, the environmental futures cluster anchored by Met Office investments in Exeter, the UK Hydrographic Office's long-term commitment to Taunton, the nuclear cluster catalysed by Hinkley Point C, and the broader South West aerospace cluster with its major growth node in South Somerset.

Our skills and infrastructure proposals provide a number of interventions to address these challenges. These will feed into and through the Growth Hub so our business growth and innovation strand, in summary, will:

Our Key Offer	Our ask of Government
<p>Scale up and assure a Growth Hub providing a seamless approach to business growth support.</p> <p>Strengthen a network and cluster of 'innovation eco-systems' anchored by each of our Golden Opportunities</p>	<p>An increased devolved revenue pot for at least 5 years which can draw if required on the Single Investment Framework.</p> <p>Co-commissioning of all remaining national business growth and internationalisation services.</p> <p>Commitment to bespoke agreements with national agencies to realise the UK and local growth dividends of each of the Golden Opportunities - underpinned by an early Science and Innovation Audit undertaken by a consortium of south west LEPs and universities.</p>
<p>This strand will include: Collaboration with neighbouring LEPs on a cluster approach to inward investment.</p>	



Why is this important?

Discharge of these primary responsibilities is impeded by national pressures which manifest themselves locally. Analysis shows:

- SMEs and early stage entrepreneurs find national and local systems fragmented, opaque and bureaucratic. This leads to low rates of business growth support take-up and entrepreneurial/start-up activity.
- Inward investment, internationalisation and trade, and our visitor economy are held back because the South West is perceived to be a distant periphery. Offers are poorly joined-up and we have a low national profile, and are a low priority for UKTI, VisitEngland and other agencies.
- National science and innovation products and services are not accessed consistently by existing business. Furthermore our national offer is not investment-ready so cannot easily take advantage of the potential of our Golden Opportunities.

We need more certainty of investment and freedom from national funding cycles so we can operate our proposed Single Investment Framework and ensure the right interventions are made at the right time to support our economic opportunities.

Key outcomes

Our Golden Opportunities and distinctive assets have the potential to

release major productivity gains for us and for the national economy. Business support devolution will drive productivity through:

- More businesses taking up the support they need.
 - 20% of business stock informed about business support
 - 3,000 businesses supported
 - 750 business accounts managed
 - 10 Operational Level Agreements signed between business support delivery partners
 - 360 businesses receiving intensive support
 - 36 events to co-ordinate network businesses support delivering with the aim to simplify business support customer journey
- Significantly increased levels of inward investment.
- Heart of the South West businesses competing strongly in the global economy.
- Better engagement with business and an entrepreneurial culture.
- Double the number of international tourists to the Heart of the South West and more national tourists.
- Greater levels of science and innovation in our economy: double the uptake of Innovate UK support, and increased research and development.

Place

Government expectations of local leadership teams over 2016-20 include:

- Adoption and implementation of Local Plans with demonstrable collaboration across functional economic areas to drive physical investment.
- A performance regime that accelerates housing and employment growth.
- Devolved local transport budgets and plans including both development and regulatory functions, to improve system performance locally and add value to national infrastructure investments and programmes.
- Contributions to specific national and pan-regional infrastructure priorities, including Hinkley energy agreements and recommendations of the Peninsula Rail Task Group.
- Proactive delivery management of Starter Homes, housing investment pots and local authority contributions to new housing.
- Completion of backbone superfast broadband infrastructure and increasing take-up to support the digital economy and wellbeing.
- Local authority and other public sector land disposal, development and rationalisation strategies.

Our proposals will enable us to take responsibility for delivering these agendas, including, in summary:

Our Key Offer	Our ask of Government
Establishment of an Infrastructure Commission to formulate a new Strategic Infrastructure Plan with implementation overseen by the Combined Authority.	Support to develop, fund and deliver the Strategic Infrastructure Plan. A commitment to create a flexible funding model to support accelerated housing delivery, targeting locally identified growth areas.

This will include Government commitments to:
<ul style="list-style-type: none"> • Existing and new infrastructure development, including the A361 North Devon Link, A303/A358/A30 improvements and Peninsula Rail Task Force 20-year plan. • Match funding and co-production to deliver 100% superfast broadband coverage • Use the two National Parks as test beds for integrated land management and rural productivity. • Inclusion of Plymouth on the Strategic National Corridor network.

This will include Government commitments to:

- Devolved Air Passenger Duty from Exeter Airport.
- Support to develop and sustain new energy initiatives including wind, sub-sea and grid improvements.
- A National Policy Statement for renewable energy generation in the Bristol Channel and Severn Estuary.

Why is this important?

Long-term investment in our infrastructure is critical to unlocking growth and delivering our productivity targets. Our Strategic Infrastructure Plan will set out where and when investment is required. We need to accelerate housing and employment land allocations, electronic communications for our businesses, more housing for our workers, and improved transport links to allow faster movement of our workforce, goods and services. This infrastructure underpins growth and is the key to our future productivity.

Despite recent successes we are underfunded compared to other areas. Long-term investment is vital to provide confidence for developers and to drive productivity through faster, more reliable transport and digital connectivity. Investment in resilience is essential to minimise disruption and financial loss during a crisis. There is considerable untapped resource and market opportunity for the Heart of the South West to contribute more to the energy supply of the nation. We have the potential to become a leader in low carbon energy and renewables, however current grid infrastructure is limiting deployment.

Key outcomes

To support productivity growth, infrastructure devolution will deliver:

- 179,000 new homes, and a new Garden Town in Somerset.
- Accelerated housing and employment growth in the identified growth areas of Greater Exeter, Hinkley Growth Zone, Plymouth, Taunton, and Torbay.
- Faster rail connections to London, the South East, and Midlands.
- 100% superfast broadband availability and reliable mobile phone connectivity.
- Prioritised and sequenced infrastructure projects to maximise the value of investments.
- Innovation in energy development and supply to support the national energy strategy.
- Greater resilience of our infrastructure.
- Innovative approach to environmental management, increasing productivity, improving resilience, and growing our rural economy.

Foundation 3: Towards a Combined Authority

The partners to this proposal recognise that leadership and governance of delivery of our deal will require transparent, robust, and efficient structures and processes commanding the confidence and support of Government, local communities, and business.

We also recognise Government's preferred model of choice for this vehicle is the Combined Authority (CA), with Mayoral leadership in the case of Core City Regions.

We will create a Combined Authority with appropriate strong leadership and accountabilities. We will carry out a Governance Review to identify the most effective structure and processes for putting this commitment into effect, ideally with an inception date of either April 2017 or April 2018.

The Governance Review shall draw on the principles outlined in our Statement of Intent as a starting point. The review will proceed in tandem with both the enactment of the Cities and Local Government Bill, and the progress of our devolution agreement negotiations and requirements of its effective implementation.

The Governance Review will set out the powers, roles, functions, and operational arrangements for the Combined Authority - and propose its relationships with and to key delivery partners nationally, locally and with neighbours.

At a minimum, the Heart of the South West LEP, CCGs and others as appropriate will become full non-constituent members of the emerging

Combined Authority, playing leadership roles where appropriate in its sub-structures, for example to build on the LEP's business credentials.

In addition, we consider there will be a number of collaborative arrangements that we shall wish to progress with variable consortia of South West neighbours. These may include a 'Transport South West' proposition, the in-train Science and Innovation Audit consortium with neighbouring LEPs and national clusters in areas such as nuclear, renewables energy,

Similarly, our prospectus recognises that specific sub-regional geographies will accommodate significant shares of the growth to be delivered. Bespoke arrangements to plan and manage these changes will build on or adapt existing arrangements including The Greater Exeter Group, The Plymouth and South West Peninsula City Deal, the emergent Hinkley, Taunton and Bridgwater triangle. Options for strengthening and adapting these arrangements (or elaborating new place-based governance) may include Development Corporations, Special Economic Zones, Accelerated Development Zones, or other models.

Next Steps

Delivering devolution requires careful sequencing. A high level roadmap for developing and delivering our deal is outlined below.

A Heart of the South West partners group will launch shadow Combined Authority arrangements and a formal Programme Management Office (PMO) upon agreement from Government of serious intent to progress towards a devolution agreement. The PMO will be resourced to support devolution agreement workstreams with business case and financial management capacity, including assuring fiscal neutrality.

The shadow Combined Authority and PMO will work with Government to deliver six co-produced workstreams by early 2017:

1. The Governance Review will apply the processes required under legislation to specify, agree and launch the form of Combined Authority eventually determined. This work will include the role and voice of business and sub-regional geographical arrangements.
2. The Productivity Plan will elaborate the evidence base, strategies and performance management required to deliver the vision and goals of the devolution agreement.
3. We are seeking Government agreement to establish a Joint Skills Commission to oversee national policy requirements and the process of localising these under the terms of our devolution deal.
4. The local leadership team will work with our successful health integration exemplars, NHS England, and other local, regional and

national partners to identify wider opportunities to contribute to the Productivity Plan and national health and care integration priorities.

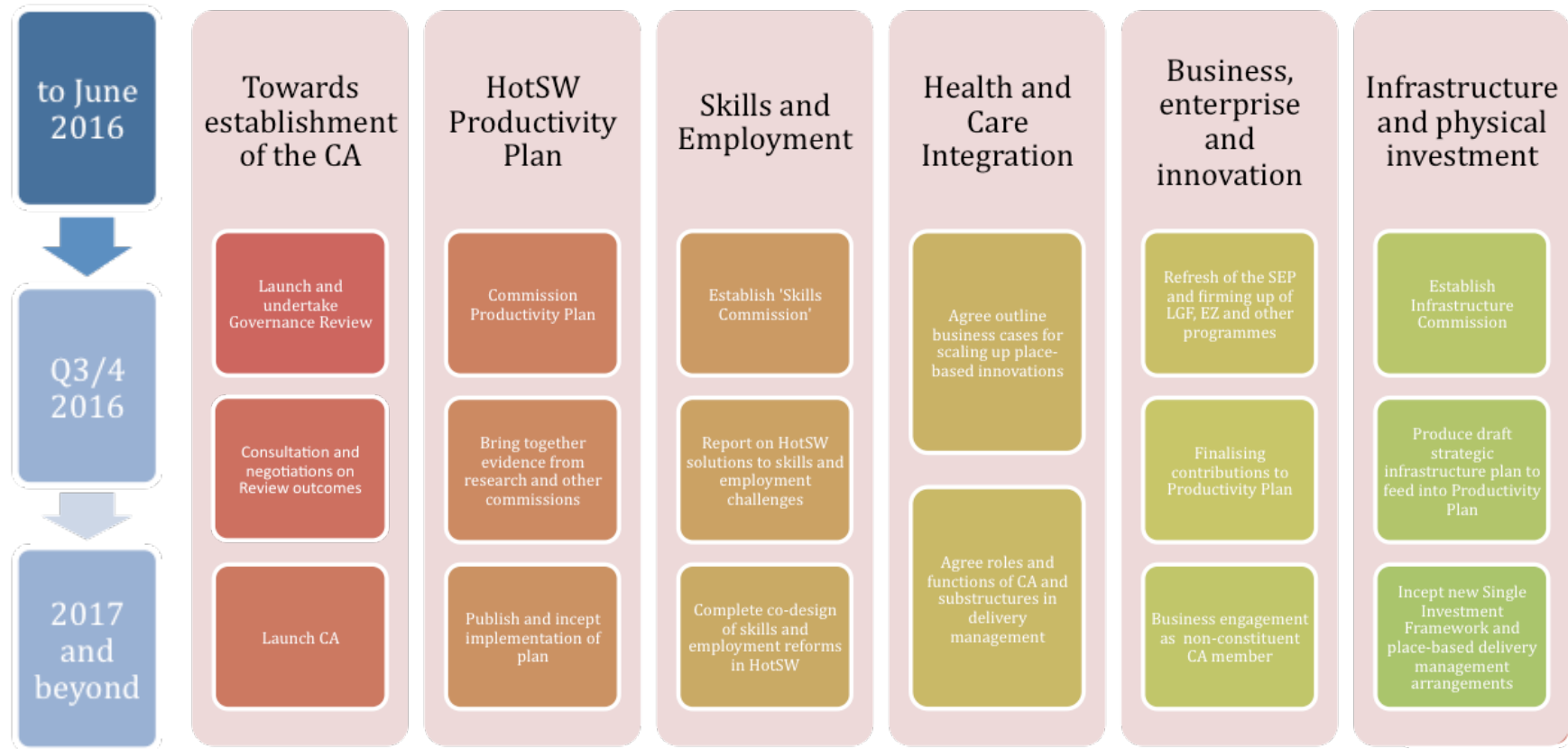
5. The LEP will ensure existing local growth commitments are delivered effectively, that the refresh of the Strategic Economic Plan feeds into the wider Productivity Plan and that business engagement in the establishment and operation of the Combined Authority and its priorities is strong.
6. We are seeking Government commitment to establish a Joint Infrastructure Commission to firm up the physical investment needs identified in national and Heart of the South West priorities and how the Single Investment Framework will resource these.

This process will allow early wins to be made, including accelerated housing development and initial skills and business support reform, whilst specifying and agreeing the structures needed to deliver the medium and long-term outcomes of our devolution agreement.

In anticipation of a positive outcome from negotiations on our deal we seek early agreement from Government on a match-funded budgetary contribution to co-deliver these workstreams.

We invite Government to begin formal negotiation with us on our proposals and the detail behind them with a view to signing a deal during the first half of 2016.

Outline Roadmap





Royal William Yard, Plymouth

REPORT TO:-

SCRUTINY COMMITTEE – RESOURCES 27 January 2016
EXECUTIVE 9 February 2016
COUNCIL – 23 February 2016

Report of: ASSISTANT DIRECTOR CITY DEVELOPMENT

Title: COMMUNITY INFRASTRUCTURE LEVY FUNDING FOR SANDY PARK A379 JUNCTION

Is this a Key Decision?

Yes

Is this an Executive or Council Function?

Council

1. What is the report about?

1.1 This report seeks Members' approval to enter into a legal agreement with Devon County Council to provide £1.025 million in Community Infrastructure Levy funding to match fund the delivery of a newly configured junction on the A379 at Sandy Park to facilitate right turns for vehicles entering Sandy Park from the west and exiting Sandy Park to the east. The total cost estimate for the new junction is £2.425 million, although cost estimates are currently being finalised, and this figure may increase or decrease subsequent to this report being finalised (Members will be provided with an oral update as necessary). £1.0 million has been secured through Heart of the South West Local Enterprise Partnership Growth Deal funding, with the remaining £0.4 million being contributed by Devon County Council through Local Transport Plan finances. The report also provides background information on the Newcourt Link Road. Distinct from the Sandy Park A379 Junction, the Newcourt Link Road is intended to link Old Rydon Lane to the existing roundabout on the existing spur road off the A379 that provides access to Sandy Park. (Plans are included in section 8 of this report).

2. Recommendations:

2.1 It is recommended that Scrutiny Committee – Resources notes and requests Executive to recommend that Council makes £1.025 million in Community Infrastructure Levy funding available for investment in a newly configured junction on the A379 at Sandy Park on the following basis:-

- No funds to be made available until adequate CIL has been collected or the end / long-stop repayment date in the legal agreement with Devon County Council has been reached, and funding for city centre major infrastructure investments has been secured in line with the resolution of Executive on 10th February 2015;
- Interest that becomes payable in the event that the City Council does not pay the £1.025 million before the end / long-stop repayment date in the legal agreement with Devon County Council has been reached to be payable from the City Council's General Fund;
- City Council CIL funding for the newly configured junction to be conditional upon 'claw-back' provisions whereby the City Council would be an equal-proportion recipient of any project cost savings;

- City Council CIL funding for the newly configured junction to also be conditional upon the outcome of an as yet undetermined bid for funds from Highways England's new 'Housing and Growth Fund', with 'claw-back' provisions whereby the City Council would be an equal-proportion recipient of any potential reduction in the overall project costs in the event that the bid is successful; and,
- Authority to be delegated to the Assistant Director City Development to finalise a legal agreement with Devon County Council that accords with these recommendations, (based upon the model provided by the agreement developed in relation to funding Marsh Barton Railway Station subsequent to approval by Executive on 11th August 2015).

3. Reasons for the recommendation

- 3.1 A newly configured junction is an important part of the transport infrastructure package needed to accommodate development growth in and around Exeter. In facilitating right in / right out vehicle movements the newly configured junction will encourage the development of commercial land to the west of Sandy Park, it will facilitate improved access to residential development to the south of Sandy Park via the Newcourt Link Road, and it will take pressure off junction 30 of the M5 by removing the need for vehicles travelling eastbound on the A379 to circumnavigate that junction in order to access Sandy Park (further detail is provided in the 'Background' section to this report). However, funding for the junction needs to be cost effective and balanced against other identified funding priorities.

4. What are the resource implications including non financial resources

- 4.1 Of the anticipated £25 million CIL receipts to 2026, the Council has earmarked £18 million to be spent on 'major infrastructure'. £8 million of this £18 million is dedicated to city centre leisure, transport and public realm projects pursuant to the resolution of Executive on 10th February 2015. A further £1.3 million of the £18 million has been committed to the Marsh Barton Railway Station pursuant to approval by Executive on 11th August 2015. Over 50% of the total CIL receipts identified for major infrastructure to 2025/26 have therefore already been committed. The recommendations of this report would commit a further 5.69% of that £18 million of CIL major infrastructure funding.

5. Section 151 Officer Comments:

- 5.1 The allocation of CIL funding is noted and if approved will be passed to the County Council in line with the timing to be agreed in the legal agreement. The legal agreement will include detail on when interest will become payable to the County Council (it is expected that interest payment clauses will be similar to those in the Marsh Barton Railway Station agreement, but that the end / longstop repayment date will be further into the future) and will be reported back to members as part of a future budget monitoring report.

6. What are the legal aspects?

- 6.1 There are two main issues as follows:
- Firstly, the City Council is currently prohibited from borrowing against future CIL receipts to forward fund infrastructure delivery. Hence, in this case, as with Marsh Barton Railway Station, the Council has come to an arrangement with the County Council whereby the County Council will forward fund delivery of the project with the City Council repaying the agreed (£1.025 million) element of the

project costs at a point at which sufficient CIL receipts have been accumulated or the end / long-stop repayment date in the legal agreement with Devon County Council has been reached.

- Secondly, does the City Council have the authority to spend CIL funding for the purpose of providing a newly configured junction at Sandy Park? The junction is on the Council's Regulation 123 List of projects on which CIL can be spent, so the necessary authority exists.

7. Monitoring Officer Comments:

- 7.1 The Monitoring Officer has raised no issues beyond those set out in paragraph 6.1 above. The Monitoring Officer will be consulted on the legal agreement to be signed with Devon County Council.

8. Report Details / Background

General Commentary on CIL

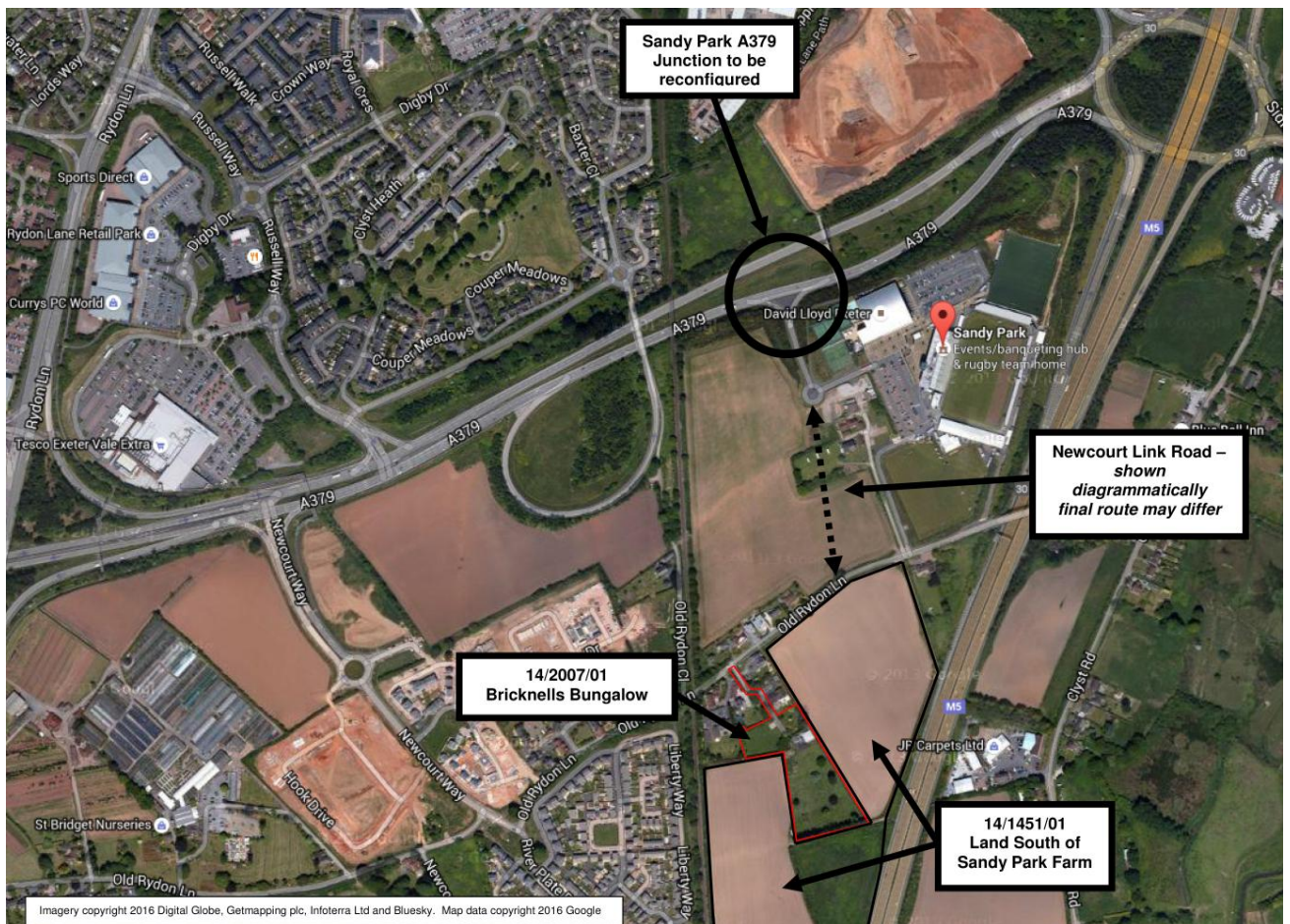
- 8.1 The Council's Community Infrastructure Levy Charging Schedule came into effect on 1st December 2013. The Levy is expected to raise around £25 million during the period to 2026 and can be used to fund a wide range of projects as long as they support development growth. To date CIL Liability Notices for more than £800,000 have been issued (CIL Demand Notices are subsequently issued when development commences), and over £300,000 has been received. (Appendix 1 to this report details approximate collected / anticipated CIL to 2025/26).
- 8.2 In February 2015, the Council set out a framework for the prioritisation of CIL in the absence of joint infrastructure governance arrangements for the Greater Exeter area. This earmarked £18 million of forecast receipts for major infrastructure, of which the first £8 million is for city centre priorities. The estimated £10 million balance is for strategic investments that support development growth elsewhere across Exeter.
- 8.3 It is forecast that the £8 million city centre funding will have been received by 2019/2020. However, this is dependent on the profile of future development commencements, in particular, the timing of starts on large scale retail schemes like IKEA.

Sandy Park A379 Junction

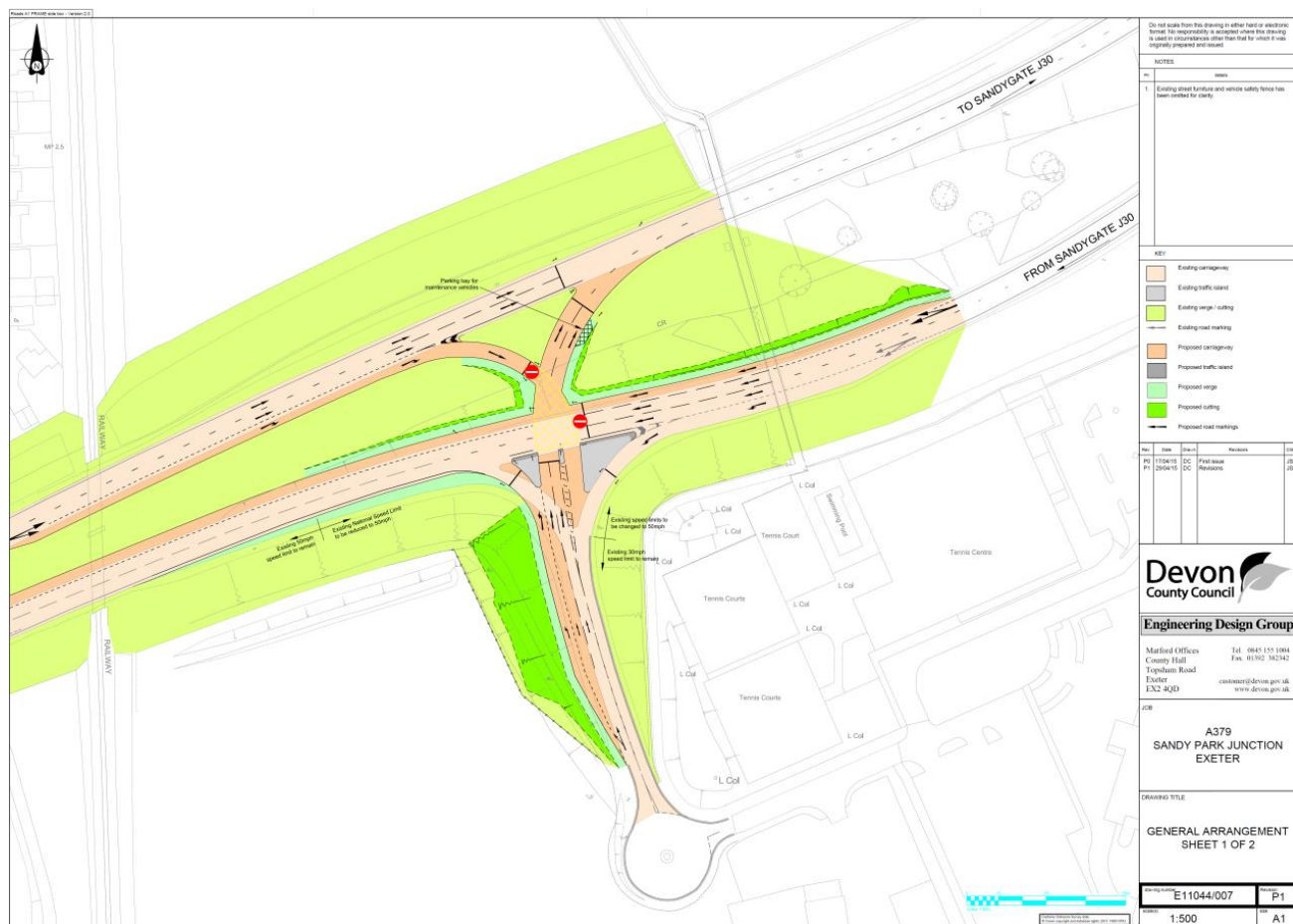
- 8.4 A newly configured junction is an important part of the transport infrastructure package needed to accommodate development growth in and around Exeter. In facilitating right in / right out vehicle movements the reconfigured junction will encourage the development of the adjoining land for commercial uses, it will facilitate improved access to residential developments to the south of Sandy Park via the Newcourt Link Road (see below), and it will take pressure off the already congested Junction 30 of the M5. Traffic approaching Sandy Park from the city on the A379 currently has to loop around Junction 30 and rejoin the westbound carriageway. The increased number of people making this movement because of housing and employment development will have a detrimental impact on Junction 30 during the peak hours, when it is already close to capacity. Providing a right turn into Sandy Park at the proposed signalised junction will allow these vehicles to turn directly into the site and avoid Junction 30 completely, improving junction operation, especially in the busy peak periods.

- 8.5 The proximity of land at Sandy Park to the M5 makes it an attractive location for particular types of businesses which value connectivity to the Strategic Road Network. The land is also within 10 minutes walk of both Digby and Newcourt Rail Stations and Sowton Park and Ride. Commercial development would of course augment the economic prosperity of the city by providing employment opportunities but also a contribution towards civic finances in a changed business rates regime. The Government's Spending Review and Autumn Statement 2015 identified that DCLG will shortly consult on changes to the local government finance system 'to pave the way for the implementation of 100% business rate retention by the end of the Parliament'.
- 8.6 Planning permission is not required to reconfigure the junction within the current highway boundary.

Plan showing location of Sandy Park A379 Junction to be reconfigured and (diagrammatic) Newcourt Link Road route



Plan showing proposed reconfigured Sandy Park A379 Junction



Newcourt Link Road

- 8.7 In conjunction with the implementation of a reconfigured Sandy Park Junction, the planned Newcourt Link Road will facilitate improved access to Newcourt. The Newcourt Link Road is intended to link Old Rydon Lane to the existing roundabout on the spur road off the A379 that provides access to Sandy Park. It is not intended that the Newcourt Link Road will be funded by CIL, (the Link Road is not included on the Council's CIL Regulation 123 List indicating that it will be so funded). However, £249,500 of the estimated £500,000 costs of implementing the Road Link has been or is in the process of being secured through Section 106 agreements relating to planning applications 14/2007/01 and 14/1451/01, making for an estimated funding shortfall of £250,500.
- 8.8 A condition on the consent for the residential development provided by application 14/1451/01 is that a significant proportion of the development (242 of the 392 dwellings) cannot come forward until the Newcourt Link Road has been implemented. The Link Road will also facilitate further (as yet unconsented) residential development to the north of Old Rydon Lane. Planning permission will be required for the Newcourt Link Road, but it is anticipated that this will be sought as part of a planning application to comprehensively develop the land to the north of Old Rydon Lane.

- 8.9 Discussions are currently underway with the principal owner of the land to the north of Old Rydon Lane with a view to reaching agreement on how the Newcourt Link Road will be funded in the context of the current funding shortfall. Members will be provided with an oral update on progress.

Constraints on Local Enterprise Partnership (LEP) Growth Deal Funding

- 8.10 The £1.0 million allocated to the project through the Heart of the South West LEP Growth Deal will be lost unless it is spent in the 2016/17 financial year, and given construction lead times, the necessary match funding needs to be put in place now if the project is to proceed. If the project does not proceed now, it may be a very long time before a further funding opportunity arises. If the project does not proceed now, it is also possible that the LEP may be disinclined to support future similar funding bids.

Constraints on Devon County Council Funding for Transport Projects

- 8.11 There are increasing pressures on the limited Local Transport Plan funding available to the County Council for funding transportation projects, with the funding available across the whole County having reduced from approximately £8.2 million in 2010 to £3.4 million in 2015. This funding is being primarily used for match funding of Growth Deal projects and forward design of strategic improvements. The County Council views the Sandy Park A379 Junction improvement as a primarily development-related scheme with limited wider benefits for the strategic transportation system (those wider benefits being the scheme's positive implications for relieving pressure on M5 Junction 30). However, the County Council has committed £0.4million towards the scheme, which is welcome in the context of the financial pressures.

Highways England Housing and Growth Fund

- 8.12 With the support of the City Council, Devon County Council is currently exploring the submission of a bid for monies from Highways England's Housing and Growth Fund to support the delivery of the reconfigured junction. This is a new national fund of £100 million, the purpose of which is to enable and support 'shovel ready' projects which may currently be stalled and which can deliver homes and jobs over the next five years. There is no guarantee that any bid for funds to assist with the implementation of the scheme will be successful, given that there is a limited amount of funding available nationally and strong competition for the funds. If a bid was successful, the scheme would still require a substantial level of contribution from the City and County Councils. The legal agreement with Devon County Council will provide for both the City and County Councils' contributions to the overall project costs to be reduced / redistributed in equal proportion in the event that a bid is successful.

9. How does the decision contribute to the Council's Corporate Plan?

- 9.1 Successful deployment of CIL is integral to a number of Corporate Plan themes, particularly investing in the city and growing the economy.
- 9.2 Insofar as the delivery of the Corporate Plan is in large part dependent upon the availability of finance, the decision also contributes to the Corporate Plan because the development that will be facilitated will ultimately result in rates revenue for the Council. It should be noted that in the HM Treasury Spending Review and Autumn Statement 2015, it is stated that DCLG will shortly consult on changes to the local government finance system to pave the way for the implementation of 100% business rate retention by the end of the current Parliament.

10. What risks are there and how can they be reduced?

- 10.1 Construction delivery on site and escalating project implementation costs. Devon County Council are currently refining project costs with a view to these being finalised before Scrutiny Committee – Resources considers this report on 27th January – Members will be provided with an oral update as necessary. It is assumed that construction costs are unlikely to rise, given that the reconfigured junction needs to be implemented in the 2016/17 financial year.
- 10.2 Commercial development does not materialise following the implementation of the reconfigured road junction. Commercial development is by nature subject to the vagaries of the market and it may be some time before development gets underway on land adjacent to the reconfigured junction. If the commercial opportunities are to be realised, it will be important to work closely with landowners to raise the profile of the commercial land through Exeter City Council, Local Enterprise Partnership, Exeter and East Devon Growth Point and other channels such as the Exeter Chamber of Commerce and Industry.

11. What is the impact of the decision on equality and diversity; health and wellbeing; safeguarding children, young people and vulnerable adults, community safety and the environment?

- 11.1 In encouraging the development of commercial land, the decision will provide for commercial development which has the potential to improve job opportunities and therefore economic and social equality. Any environmental impacts of the development of commercial land will be considered and addressed through future planning application procedures.

12. Are there any other options?

- 12.1 There is an option not to proceed with providing match funding for the project, but this would not be consistent with the objective of supporting growth through investing CIL receipts in strategic projects, and might also lead funding partners to question the City Council's commitment to similar growth supporting investment going forward.
- 12.2 Not proceeding with the project would specifically result in the loss of £1 million in Local Enterprise Partnership Growth Deal funding, which would not be transferable to another project. Not proceeding with the project would also result in the loss of £0.4 million in allocated Devon County Council LTP funds which would be transferred to other County transportation priorities.

Richard Short
Assistant Director City Development

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

None

Contact for enquires:
Democratic Services (Committees)
Room 2.3
01392 265275

Appendix 1: Approximate Collected / Anticipated CIL Income

	2014/15	2015/16	2016/17	2017/18	2018/19	2019/20
Annual	£160,000	£655,000	£1,370,000	£2,170,000	£2,345,000	£5,915,000
Cumulative	£160,000	£815,000	£2,185,000	£4,355,000	£6,700,000	£12,615,000
Strategic Infrastructure	£115,200	£586,800	£1,573,200	£3,135,600	£4,824,000	£9,082,800
	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26
Annual	£2,915,000	£1,760,000	£1,070,000	£715,000	£1,665,000	£4,030,000
Cumulative	£15,530,000	£17,290,000	£18,360,000	£19,075,000	£20,740,000	£24,770,000
Strategic Infrastructure	£11,181,600	£12,448,800	£13,219,200	£13,734,000	£14,932,800	£17,834,400

Agenda Item 6

REPORT TO: SCRUTINY COMMITTEE RESOURCES and EXECUTIVE
Date of Meeting: 27 January and 9 February 2016
Report of: Chief Executive and Growth Director
Title: Exeter City Futures – Community Interest Company

Is this a Key Decision?

No

Is this an Executive or Council Function?

Council

1 What is the report about?

- 1.1 In September 2015 Executive endorsed Exeter City Futures as a vehicle for better understanding and addressing the transportation, energy and health challenges as opportunities facing the city. This report provides the rationale for Exeter City Council to become a member of a Community Interest Company (CIC) to facilitate the delivery of the Exeter City Futures vision.
- 1.2 To additionally agree the allocation of £50,000 as a one of payment as a working budget to facilitate the start-up and promotion of the Exeter City Futures (ECF) programme. The CIC will enable the delivery of the various ECF projects

2 Recommendations:

2.1 Scrutiny Committee – Resources support and Executive recommend to Council:-

- 1) That Exeter City Council become a member of the Community Interest Company.
- 2) That a sum of £50,000 is allocated as a working budget to facilitate the start-up and promotion of the Exeter City Futures Programme; and
- 3) That the Council agree to take membership of the Community Interest Company and for the delegated authority to be given to the Chief Executive and Growth Director to identify two directors on the board.

3 Reasons for the recommendation:

- 3.1 Exeter has been successful as a driver of economic activity in the South West but it cannot become complacent about needing to continue to pursue a programme of economic and housing growth in order to maintain and improve the quality of life and opportunities for those who depend on it. There are inevitable challenges and exciting opportunities facing the city and now, more than ever, we have at our disposal innovative technologies that enable us to understand these issues, in micro and macro detail, how they interrelate and the technologies that will enable us to address them to the advantage of the city/Exeter City Futures aims to provide an ambitious vision and a clear focus for the future, which makes use of pioneering technologies to diagnose and solve the issues facing the city.

The focus of Exeter City Futures can be defined in the three statements:

- Make Exeter smarter
Focusing on a combination of pioneering technology and intelligent analytics, Exeter will have a better view of where it currently stands and what problems it is facing.

- Make Exeter more sustainable
Using the insights generated from a smarter Exeter, a number of solutions and initiatives can be introduced that will ensure both the economic and environmental sustainability of the city.
- Make Exeter more successful
Ultimately, these solutions would make a significant contribution to Exeter being even more successful with a thriving knowledge economy, a protected natural environment and a better quality of life for its residents.

In order to work towards delivery of these ambitious aims, the Council will need to be part of Exeter City Futures Community Interest Company.

4 What are resource implications including non-financial resources:

- 4.1 This project is a joint endeavour by Andromeda Capital, Exeter City Council, and Devon County Council. Andromeda Capita is an Exeter-based company that invests in businesses and projects that foster social, environmental and economic prosperity. This includes investing in renewable energy, improving educational standards and encouraging a carbon-neutral society.
- 4.2 The specific resource implications are for this Council are a £50,000 initial working budget as identified above.

5 Section 151 Officer comments:

- 5.1 The budget, if approved will be funded from the proposed unallocated element of the New Homes Bonus award. This will be reviewed in future years, if required, in light of the outcome of the New Homes Bonus consultation.

6 What are the legal aspects?

A Community Limited Company (CIC) is a new type of company introduced in 2005, designed for social enterprises that want to use their profits and assets for the public good rather than being driven by the need to maximise profit for shareholders and owners.

7 Monitoring Officer's comments:

- 7.1 Please see comments on the legal implications set out above.

8 Background:

- 8.1 Work has been progressing over the preceding 6 months into a programme of initiatives called collectively Exeter City Futures (ECF). Details of the ECF were previously submitted to and approved by Executive on the 15th September 2015.
- 8.2 The Council is now in the position of wanting to progress with the governance structure to enable the Exeter City Futures initiatives to progress.
- 8.3 Exeter City Futures Community Interest Company has been set-up specifically to facilitate the delivery of the Exeter City Futures Programme. It will operate as a company limited by guarantee with share capital company and as a not for profit organisation.

- 8.4 By way of explanation, a Community Interest Company (CIC) is a business with primarily social objectives, whose surpluses are principally invested for that purpose in the business, or in the community, rather than being driven by the need to maximise profit for shareholders and owners. CICs tackle a wide range of social and environmental issues and operate in all parts of the economy. By using business solutions to achieve public good, it is believed that CICs have a distinct and valuable role to play in helping create a strong, sustainable and socially inclusive economy.
- 8.5 CICs are intended to be easy to set-up and with all the flexibility and certainty of the company form, but with some special features to ensure they are working for the benefit of the community. They have proved popular with some 10,000 registered to date.
- 8.6 Members of the Exeter City Futures CIC will have a total liability of £1 each so that there is no financial exposure. The board can have a maximum of 7 directors including 2 independent directors. The suggestion is that this will be made up of 2 directors from Andromeda, 2 from Exeter City Council and at least 1 from Devon County Council. External organisation partners will be considered on-a-skills to need basis.
- 8.7 The objects of the Company are to carry out activities which benefit the community and in particular to promote and work towards the decarbonisation of the City of Exeter and finding solutions relating to health, transport and energy relevant to the City.
- 8.8 We are currently working to establish a clear governance structure which ensures the Council's Exeter City Futures Programme Manager will work alongside the Community Interest Company board to ensure the Council's strict policy and political framework is adhered to.
- 8.9 This report seeks delegated authority to establish the governance structure required. Approval of these recommendations will allow us the ability to act in a timely fashion.

9 How does the decision contribute to the Council's Corporate Plan?

- 9.1 The programme along with the intentions of the Innovation Exeter initiative will directly contribute to a number of the key ambitions and programmes in the Corporate Plan.

10 What risks are there and how can they be reduced?

- 10.1 Risks would be perceived as reputational towards the Council if Exeter City Futures Community Interest Company fail to deliver the desired ambitions.
- 10.2 Additionally, it is anticipated that, because data and analytics forms such a cornerstone of this project, data protection and privacy are key areas that should be investigated in more detail. The priority of Exeter City Futures would be that data collection is undertaken in a sensitive and secure fashion, and that said data is then protected in accordance with ICO and EU data protection regulation.

11 What is the impact of the decision on equality and diversity; health and wellbeing; safeguarding children, young people and vulnerable adults, community safety and the environment?

- 11.1 At its core, this project is intended to improve the quality of life and wellbeing of

residents of Exeter, bringing economic prosperity and innovation to the region and safeguarding Exeter's future as a sustainable, pioneering city. As such, responding to the needs of Exeter city residents and key stakeholders is vital to ensuring the success of the project, and particular care is being taken to make sure that the project is as inclusive and accessible as possible for vulnerable, marginalised groups, or groups with special needs. Any initiative that does work directly with these groups will take special care to ensure that their needs and circumstances are sufficiently taken into account.

Karime Hassan
Chief Executive and Growth Director

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

Background papers used in compiling this report:-
Exeter City Futures – Transforming Exeter Through Data

Contact for enquires: Sharon Sissons, Democratic Services (Committees), Room 2.3, 01392 265115

EXETER CITY COUNCIL

REPORT TO: SCRUTINY COMMITTEE – RESOURCES
EXECUTIVE
COUNCIL

DATE OF MEETING: RESOURCES – 27 JANUARY 2016
EXECUTIVE – 19 FEBRUARY 2016
COUNCIL – 23 FEBRUARY 2016

REPORT OF: ASSISTANT DIRECTOR FINANCE
TITLE: TREASURY MANAGEMENT STRATEGY REPORT 2016/17

Is this a Key Decision?

No

Is this an Executive or Council Function?

Council

1. What is the report about?

To seek adoption by the Council of the Treasury Management Strategy Report, incorporating the Annual Investment Strategy 2016/17, as required under section 15(1)(a) of the Local Government Act 2003.

2. Recommendations:

That Scrutiny and Executive support and Executive recommend to Council the adoption of the new Treasury Management Strategy and delegations contained therein.

3. Reasons for the recommendation:

The Council adopted the *CIPFA Treasury Management in the Public Services: Code of Practice*, which requires the Council to approve a treasury management strategy before the start of each financial year.

In addition, the Department for Communities and Local Government (CLG) issued revised guidance on local authority investments in March 2010 that requires the Council to approve an investment strategy before the start of each financial year.

The Council has borrowed and invested substantial sums of money and is therefore exposed to financial risks including the loss of invested funds and the revenue effect of changing interest rates. The successful identification, monitoring and control of risk are therefore central to the Authority's treasury management strategy.

4. What are the resource implications including non financial resources

There are no financial or non financial resource implications.

5. Section 151 Officer comments:

The Treasury Management Strategy forms an integral part of the Council's financial management. The request to add property funds to the list of approved investments would enable the Council to further diversify its portfolio and deliver a long term income to the Council.

6. What are the legal aspects?

In February 2012 the Council adopted the updated *CIPFA Treasury Management in the Public Services: Code of Practice*, which requires the Council to approve a treasury management strategy before the start of each financial year. Adoption of the Code is required by regulations laid under the Local Government Act 2003.

7. Monitoring Officer's comments:

The Monitoring Officer comments have not been obtained.

8. Report Details:

8.1 Key issues to be considered

8.2 This is a statutory Strategy recommended for adoption by full Council. The key issues to be considered are:

- An amendment to the In-house investment strategy (Section 5) which is authorising to invest in property funds. Section 5.3 provides a background to property funds and the potential rate of return.
- Section 4.3 sets the limits on the value of investments to be held by any one institution and the type of institution that can be used.
- The 2015/16 strategy increased the amount the Council can lend to UK owned banks or building societies from £3 million to £4 million and increased amount that can be lent to foreign owned banks that deal in sterling from £2 million to £3 million.
- The changes enabled the Council to access a higher interest rate on the investments, which is generally the case with larger value investments.
- There are no proposed amendments to the lending limits for UK owned banks or building societies or foreign owned banks that deal in sterling in the 2016/17 strategy.
- Section 3 sets out the current levels of borrowing and investments, along with the estimated changes and the financial impact for the year on both the General Fund and HRA.
- Sections 5 and 6 set out the planned strategy for the year, which Council must be satisfied meets their objectives and is in line with the level of risk they are comfortable to take.

9. How does the decision contribute to the Council's Corporate Plan?

Treasury Management supports the Council in generating additional funds for investing in Services, whilst minimising the amount of interest paid on borrowings. It does not in itself contribute to the Council's Corporate Plan.

10. What risks are there and how can they be reduced?

The investment limits are designed to reduce risk as far as possible, however with any investments there is a risk of default. The Council minimises this risk by keeping borrowing as low as possible and therefore the amount available for investment low. Investments tend to be in immediate access accounts, or short term (less than three months). The risk of keeping borrowing short term is that rates will rise causing the Council to lock into higher interest rates over the long term.

11. What is the impact of the decision on equality and diversity; health and wellbeing; safeguarding children, young people and vulnerable adults, Economy safety and the environment?

No impact.

12. Are there any other options?

No.

Paul Matravers, Principal Accountant
Dave Hodgson, Assistant Director Finance

Local Government (Access to Information) Act 1972 (as amended)
Background papers used in compiling this report: None

APPENDIX A

EXETER CITY COUNCIL

TREASURY MANAGEMENT STRATEGY 2015/16

1. Introduction

- 1.1 The Council's strategy is based on the requirements of the DCLG's Guidance on Local Government Investments ("Guidance") and CIPFA's Treasury Management in Public Services: Code of Practice and Cross Sectoral Guidance Notes ("CIPFA TM Code").

2. Economic Context

- 2.1 Domestic demand has grown robustly, supported by sustained real income growth and a gradual decline in private sector savings. Low oil and commodity prices were a notable feature of 2015, and contributed to annual CPI inflation falling to 0.1% in October. Wages are growing at 3% a year, and the unemployment rate has dropped to 5.4%. Mortgage approvals have risen to over 70,000 a month and annual house price growth is around 3.5%. These factors have boosted consumer confidence, helping to underpin retail spending and hence GDP growth, which was an encouraging 2.3% a year in the third quarter of 2015. Although speeches by the Bank of England's Monetary Policy Committee (MPC) members sent signals that some were willing to countenance higher interest rates, the MPC held policy rates at 0.5% for the 81st consecutive month at its meeting in November 2015.

2.2 Interest rate forecasts

The Authority's treasury advisor Arlingclose projects the first 0.25% increase in UK Bank Rate in the third quarter of 2016, rising by 0.5% a year thereafter, finally settling between 2% and 3% in several years' time. Persistently low inflation, subdued global growth and potential concerns over the UK's position in Europe mean that the risks to this forecast are weighted towards the downside.

2.3 *Arlingclose central interest rate forecast – December 2015*

Period	Bank Rate	20-year PWLB rate
Dec 2015	0.50	3.25
Mar 2016	0.50	3.30
June 2016	0.50	3.35
Sept 2016	0.75	3.35
Dec 2016	0.75	3.40
Mar 2017	1.00	3.45
June 2017	1.00	3.50
Sept 2017	1.25	3.55
Dec 2017	1.25	3.60
Mar 2018	1.50	3.65
Jun 2018	1.50	3.70
Sept 2018	1.75	3.75
Dec 2018	1.75	3.75

* The Council can currently borrow from the PWLB at 0.80% above gilt yields

Current and Expected Treasury Portfolios

3.

3.1 Investments

3.2 The Council's current investments as at 31st December 2015 was as follows:

UK Owned Banks

Amount	Investment	Interest rate
£3,000,000	Barclays	0.30%

Foreign Owned Banks

Amount	Investment	Interest rate
£2,000,000	Handelsbanken	0.35%

Money Market Funds

Amount	Investment	Interest rate
£3,000,000	Amundi Asset Management	0.48%
£2,000,000	Blackrock	0.38%
£5,000,000	Standard Life Liquidity Funds (formerly Ignis)	0.44%

Fixed Term Deposits

Amount	Investment	Interest rate
£2,000,000	Commonwealth Bank of Australia	0.53%

Borrowings

3.3

The Council's short term borrowing is currently £5m, this will increase to £10m with effect from 1 February 2016. Long term borrowing remains at £56.884m. Details of the loans are set out below.

Existing Loans

Amount	Lender	Interest rate	Date of repayment
£5,000,000	Police & Crime Commissioner for West Midlands	0.65%	25/02/2016
56,884,000	PWLB	3.48%	28/03/2062

Future Loan

Amount	Lender	Interest rate	Date of repayment
£10,000,000	Oxfordshire County Council	0.98%	01/02/2018

3.4 Expected changes

According to current cash flow forecasts, net borrowing is expected to remain at £10 million on 31st March 2016. The future cash flow forecast includes planned borrowing of £4 million as part of the 2016/17 capital programme. The decision of whether to take external long-term borrowing will be made in light of current and forecast interest rates.

3.5 Budget implications

The net budget for interest payments in 2016/17 is £300,000 in respect of the General Fund. The HRA covers the interest costs relating to the long term borrowing of £56.9 million. If actual levels of investments and borrowing, and actual interest rates differ from those forecast, performance against budget will be correspondingly different.

4. **Investment Strategy**

4.1 The Council holds surplus funds, which represent income received in advance of expenditure plus balances and reserves held. Much of the Council's cash has been used to reduce the amount of debt taken on during the current financial year. Both the CIPFA Code and the CLG Guidance require the Council to invest its funds prudently, and to have regard to the **security** and **liquidity** of its investments before seeking the highest rate of return, or **yield**.

4.2 Specified Investments

Specified investments are those expected to offer relatively high security and liquidity, and can be entered into with the minimum of formalities. The CLG Guidance defines specified investments as those:

- denominated in pounds sterling,
- due to be repaid within 12 months of arrangement,
- not defined as capital expenditure by legislation, and
- invested with one of:
 - the UK Government,
 - a UK local authority, parish council or community council, or
 - a body or investment scheme of "high credit quality".

4.3 The Council defines the following as being of "high credit quality" for making specified investments, subject to the monetary and time limits shown.

In-house investment	Monetary limit¹	Time limit
UK owned banks and building societies holding short-term credit ratings no lower than F1+ and P-1	£4m each	12 months
Foreign owned banks that deal in sterling holding short-term credit ratings no lower than F1+ and P-1	£3m each	6 months
UK owned banks and building societies holding short-term credit ratings no lower than F1 and P-1	£3m each	3 months
Money market funds ² and similar pooled vehicles holding the highest possible credit ratings (AAA)	£5m each	3 months
UK Central Government	no limit	12 months
UK Local Authorities ³		
Upper Tier	£5m each	12 months
Lower Tier	£3m each	12 months

--	--	--

¹ banks within the same group ownership are treated as one bank for limit purposes
² as defined in the Local Authorities (Capital Finance and Accounting) Regulations 2003
³ as defined in the Local Government Act 2003

4.4 The maximum that will be lent to any one organisation (other than the UK Government) will be £5 million. For an individual bank, the limit is £4 million. A group of banks under the same ownership will be treated as a single organisation for limit purposes.

4.5 Non specified Investments

- No non specified investments will be made by the Council.

4.6 Foreign countries

Investments in foreign countries will be limited to those that hold a AAA or AA+ sovereign credit rating from all three major credit rating agencies, and to a maximum of £3 million per country. Only banks that are domiciled in the UK but are owned in another country will be used and need to meet the rating criteria of and will count against the limit for both countries. There is no limit on investments in the UK.

4.7 Liquidity management

The Council uses purpose-built cash flow forecasting software to determine the maximum period for which funds may prudently be committed. The forecast is compiled on a pessimistic basis, with receipts under-estimated and payments over-estimated to minimise the risk of the Council being forced to borrow on unfavourable terms to meet its financial commitments.

Limits on long-term investments are set by reference to the Council's medium term financial plan and cash flow forecast.

4.8 Credit ratings

The Council uses credit ratings from two main rating agencies Fitch Ratings Ltd and Moody's Investors Service to assess the risk of loss of investments. The lowest available credit rating will be used to determine credit quality.

Credit ratings are obtained and monitored by the Council's treasury advisers, who will notify changes in ratings as they occur. Where an institution has its credit rating downgraded so that it fails to meet the above criteria then:

- no new investments will be made,
- any existing investments that can be recalled at no cost will be recalled, and
- full consideration will be given to the recall of any other existing investments

Where a credit rating agency announces that it is actively reviewing an organisation's credit ratings with a view to downgrading it so that it is likely to fall below the above criteria, then no further investments will be made until the outcome of the review is announced.

4.9 Other information on the security of investments

Full regard will be given to other available information on the credit quality of banks and building societies, including credit default swap prices, financial statements and rating agency reports. No investments will be made with an organisation if there are substantive doubts about its credit quality, even though it may meet the above criteria.

4.10 Investment instruments

Investments may be made using any of the following instruments:

- interest paying bank accounts
- fixed term deposits
- call or notice deposits (where the Council can demand repayment)
- certificates of deposit

- treasury bills and gilts issued by the UK Government
- bonds issued by multilateral development banks
- shares in money market funds

5. Planned investment strategy for 2016/17 – In-house

- 5.1 The cash flow forecast will be used to divide surplus funds into three categories:
- Short-term – cash required to meet known cash outflows in the next month, plus a contingency to cover unexpected cash flows over the same period.
 - Medium-term – cash required to manage the annual seasonal cash flow cycle, including amounts to cover forecast shortages, planned uses of reserves, and a longer-term contingency.
 - Long-term – cash not required to meet cash flows, and used primarily to generate investment income.
- 5.2 The Council's in-house managed funds are based on the likely cash-flow position and rarely exceed three months. Investments will be made to ensure that cash flow is protected and borrowing is minimised. However, on occasion, money has been invested for a longer period up to 364 days. These are funds which are not required for day-to-day cash management purposes.
- 5.3 The Council will seek to utilise its call accounts (which are linked to base rate), money market funds (Standard Life, Blackrock, Federated, Amundi and CCLA) and use short-dated deposits up to 3 months to ensure liquidity of assets for day-to-day cashflow. Although these are essentially cash, a monetary limit in line with the banks credit rating is retained on the accounts. The Council will also make use of the Government's Debt Management Office to ensure the highest possible security for cash. Additionally, the Council will hold a balance on its general account to cover any payments due. On occasion, where significant payments are to be made, there may be in excess of £3 million in this account.
- 5.4 The 2016/17 strategy is requesting approval to allow investments to be made in property funds. Such funds are pooled investment products and are accessed on a traded share basis rather than a fixed cash deposit sum. The investment in the property fund would be a long term commitment which will mean that there will be fluctuations in the return over the period of the investment.

The council would be looking to place investments of up to £5m with the Local Authorities Property Fund, (managed by the CCLA). The CCLA provide a range of pooled money market funds, some of which are created specifically for the public sector and cover asset classes such as Equities, Bond, Property or Cash. The property related asset class of the CCLA property fund has achieved a rate of return of approximately 7-8% over recent years.

Members will be assured that although the CCLA does not have any form of rating or financial support criteria awarded to it, something which is currently required for all other investments, the organisation was established in 1958 and has a strong approach to stewardship and ethics.

The council's treasury advisers, Arlingclose Ltd are entirely comfortable with, and recommend, the CCLA property fund and currently have numerous other clients who invest with the organisation.

6. Borrowing Strategy

6.1 The Council's capital financing requirement (CFR, or underlying need to borrow) as at 31st March 2016 is expected to be £97.4 million, and is forecast to rise to £101.4 million by March 2017 as capital expenditure is incurred.

6.2 The maximum expected long-term borrowing requirement for 2016/17 is:

	£m
Not borrowed in previous years	40.6
Long term borrowing (HRA)	56.9
Forecast increase in CFR	3.9
Loans maturing in 2015/16	0.0
TOTAL	101.4

6.3 The Council made a one-off payment on 28 March 2012, to buy itself out of the HRA subsidy system. The final settlement figure of £56.884 million was confirmed in February 2012. The amount was borrowed from the Public Works Loans Board over a 50 year period and is repayable on maturity at the end of the loan term. The interest rate was 3.48% fixed for the term of the loan.

6.4 However, to reduce risk and minimise cost on the General Fund, it has been decided to defer borrowing until later years, and to reduce the size of the Council's investment balance instead.

6.5 In addition, the Council will borrow for short periods of time (normally up to two years) to cover cash flow shortages.

Currently the Council has outstanding borrowing of £5 million, which was taken for a period of one year at a rate of 0.65%. A loan of £10 million has been agreed and will replace the current £5 million. The £10 million has been borrowed for a period of 2 years at a rate of 0.98%.

6.6 Sources of borrowing

The approved sources of long-term and short-term borrowing will be:

- Public Works Loan Board
- any institution approved for investments above
- any other bank or building society on the Financial Services Authority list.

6.7 Debt instruments

Loans will be arranged by one of the following debt instruments:

- fixed term loans at fixed or variable rates of interest
- lender's option borrower's option (LOBO) loans.

As an alternative to borrowing loans, the Council may also finance capital expenditure and incur long-term liabilities by means of:

- leases
- Private Finance Initiative.

6.8 Borrowing strategy to be followed

With short-term interest rates currently much lower than long-term rates, it continues to be more cost effective in the short-term to not borrow and reduce the level of investments held instead, or to borrow short-term loans. However, with long-term rates forecast to rise in the coming years, any such short-term savings will need to be balanced against potential longer-term costs.

If required, the council may arrange forward starting loans during 2016/17, where the interest rate is fixed in advance, but the cash is received in a later period.

7. Policy on Use of Financial Derivatives

7.1 Local authorities have previously made use of financial derivatives embedded into loans and investments both to reduce interest rate risk (e.g. interest rate collars and forward deals) and to reduce costs or increase income at the expense of greater risk (e.g. LOBO loans).

7.2 The Localism Bill 2011 includes a general power competence that removes the uncertain legal position over local authorities' use of standalone financial derivatives (i.e. those that are not embedded into a loan or investment). The latest CIPFA Code requires authorities to clearly detail their policy on the use of derivatives in the annual strategy.

7.3 The Council will only use standalone financial derivatives (such as swaps, forwards, futures and options) where they can be clearly demonstrated to reduce the overall level of the financial risks that the Council is exposed to. Additional risks presented, such as credit exposure to derivative counterparties, will be taken into account when determining the overall level of risk. Embedded derivatives will not be subject to this policy, although the risks they present will be managed in line with the overall treasury risk management strategy.

7.4 Derivative counterparties

Financial derivative transactions may be arranged with any organisation that meets the approved investment criteria. The current value of any amount due from a derivative counterparty will count against the counterparty credit limit and the relevant foreign country limit.

7.5 In reality, whilst the Council is required to include the above policy, the only type of transaction used is the forward deal, which means the Council agrees to borrow funds at a set price for a set period, in advance of the date the loan is actually taken. This is done to ensure the availability of funds at the time that they are needed.

8. Treasury Management Prudential Indicators

8.1 The Council sets each year, in February, prudential indicators for Treasury Management, to ensure that proper control of borrowing and investing is maintained. These indicators can be found in the Council's budget book.

9. Other Matters

9.1 The revised CLG Investment Guidance also requires the Council to approve the following matters each year as part of the investment strategy:

9.2 Investment consultants

The Council contracts with Arlingclose to provide advice and information relating to its investment and borrowing activities. However, responsibility for final decision making remains with the Council and its officers. The services received include:

- advice and guidance on relevant policies, strategies and reports,
- advice on investment decisions,
- notification of credit ratings and changes,
- other information on credit quality,
- advice on debt management decisions,
- accounting advice,
- reports on treasury performance,

- forecasts of interest rates, and
- training courses.

The quality of the advisory service is monitored by the Assistant Director Finance.

9.3 Investment training

The needs of the Council's treasury management staff for training in investment management are assessed annually as part of the staff appraisal process, and additionally when the responsibilities of individual members of staff change. Staff regularly attend training courses, seminars and conferences provided by Arlingclose and CIPFA.

9.4 Investment of money borrowed in advance of need

The Council may, from time to time, borrow in advance of spending need, where this is expected to provide the best long term value for money. Since amounts borrowed will be invested until spent, the Council is aware that it will be exposed to the risk of loss of the borrowed sums, and the risk that investment and borrowing interest rates may change in the intervening period. These risks will be managed as part of the Council's overall management of its treasury risks.

The total amount borrowed will not exceed the authorised borrowing limit. The maximum periods between borrowing and expenditure is expected to be two years, although the Council does not link particular loans with particular items of expenditure.

10. **Investment Reports**

- 10.1 At the end of the financial year, the Council will prepare a report on its investment activity as part of its Annual Treasury Report. Progress will also be reported after six months of the financial year.

Paul Matravers, Principal Accountant
Dave Hodgson, Assistant Director Finance

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

None

Contact for enquiries:
 Democratic Services (Committees), Room 2.3, (01392) 265275

REPORT TO SCRUTINY COMMITTEE RESOURCES, EXECUTIVE AND COUNCIL

Date of Meeting: Scrutiny Committee Resources - 27 January 2016
Executive - 9 February 2016
Council - 23 February 2016

Report of: Assistant Director Finance

Title: The Prudential Code for Capital Finance in Local Authorities (Incorporating the Annual Statement of Minimum Revenue Provision)

Is this a Key Decision?

Yes

Is this an Executive or Council Function?

Council

1. What is the report about?

To set out the proposed 2016/17 prudential indicators for capital finance for adoption by the Council and set the annual statement of Minimum Revenue Provision (MRP).

2. Recommendations:

It is recommended that Scrutiny Committee – Resources supports and Council approves the adoption of:

- i. The Prudential Indicators set out in Appendix A-C
- ii. The Annual Statement of Minimum Revenue Provision for the Council

3. Reasons for the recommendation:

With effect from 1 April 2004, the Government abolished the capital finance legislation in Part 4 of the Local Government and Housing Act 1989 and the Local Authorities (Capital Finance) Regulations 1997 (Statutory Instrument 1997/319) and replaced it with a new Prudential system based on self-regulation. This means that Councils are free to borrow for capital investment where the borrowing is affordable.

The Prudential Code was revised slightly during 2012. The “net debt and the capital financing requirement” has been amended to “gross debt and the capital financing requirement” and the proportion of net debt to gross debt indicator introduced last year has been withdrawn as it does not work.

The Local Authorities (Capital Finance and Accounting) (England) (Amendment) Regulations 2008 came into force on 31 March 2008. The Regulations require Full Council to approve an Annual Statement of Minimum Revenue Provision which is the amount set aside from revenue for the repayment of debt principal relating to the General Fund only. The Housing Revenue Account remains exempt from making Minimum Revenue Provision although it can make voluntary set asides if it wishes.

The Prudential Indicators / MRP report will be incorporated within the Budget Book for approval at the full Council meeting as per the statutory requirement.

4. What are the resource implications including non financial resources

The financial resources required are set out in the body of this report.

5. Section 151 Officer comments:

This report has been prepared on behalf of the Section 151 Officer to set out the Prudential Indicators for 2016/17 and the annual statement of Minimum Revenue Provision.

6. What are the legal aspects?

With effect from 1 April 2004, the Government abolished the capital finance legislation in Part 4 of the Local Government and Housing Act 1989 and the Local Authorities (Capital Finance) Regulations 1997 (Statutory Instrument 1997/319) and replaced it with a new Prudential system based on self-regulation.

7. Monitoring Officer's comments:

The Monitoring Officer comments have not been obtained.

8. Report Details:

8.1 PRUDENTIAL INDICATORS

The proposed prudential indicators for the next three years are shown in Appendix A-C.

8.2 Key issues to consider

Appendix C summarises the prudential code indicators for the Council and of particular importance are

- the Capital Financing Requirement - demonstrates the amount that the Council has an underlying need to borrow, regardless of whether that amount has actually been borrowed;
- the Operational Boundary – this sets the amount of borrowing that the Council intends to keep within over the period covered by the indicators;
- The Authorised Limit – the maximum that the section 151 officer is allowed to borrow to cover the Operational Boundary and day to day Cashflow needs. The Council is not allowed to exceed this amount of borrowing without first authorising an increase to the limit.

9. ANNUAL STATEMENT OF MINIMUM REVENUE PROVISION

The Regulations require that "a local authority shall determine for the current financial year an amount of minimum revenue provision which it considers to be prudent".

Minimum Revenue Provision (MRP) is an amount set aside from revenue to meet the repayment of debt principal. It is in effect a replacement for depreciation that you would normally expect to see within a Company's Accounts. Under the old Regulations this was 4% of principal outstanding for the General Fund and no requirement to set aside MRP in the Housing Revenue Account. In local government accounting depreciation is charged and then reversed out so it does not affect the level of Council Tax, however MRP is charged to the General Fund and therefore does affect levels of Council Tax.

The Secretary of State for Communities and Local Government has issued guidance under section 21(1A) of the Local Government Act 2003. This states that "the broad aim of prudent provision is to ensure that debt is repaid over a period that is either reasonably commensurate with that over which the capital expenditure provides benefits, or, in the case of borrowing

supported by Government Revenue Support Grant, reasonably commensurate with the period implicit in the determination of the grant." The guidance notes detail five options which the Secretary of State considers prudent. These are described in section 4 below:

- (a) Regulatory Method;
- (b) Capital Financing Requirement Method;
- (c) Asset Life (Equal Instalment) Method;
- (d) Asset Life (Annuity) Method; and
- (e) Depreciation Method

Key issue to consider

Section 6 sets out the proposed policy for MRP, which matches the amount set aside against the useful life of the assets. The only exception to this is the writing off of historic debt which is being undertaken over 50 years.

10. MRP OPTIONS

Regulatory Method

MRP is equal to the amount determined in accordance with the former regulations 28 and 29 of the 2003 Regulations as if they had not been revoked. In effect this is 4% of the debt principal outstanding.

Capital Financing Requirement Method

MRP is equal to 4% of the non-housing Capital Financing Requirement, which is a Prudential Indicator.

Asset Life (Equal Instalment) Method

Where capital expenditure on an asset is financed wholly or partly by borrowing then MRP is determined by reference to the life of the asset and an equal amount charged in each year.

Asset Life (Annuity) Method

MRP is the principal element for the year of the annuity required to repay over the asset life the amount of capital expenditure financed by borrowing.

Depreciation Method

MRP is equal to the provision required in accordance with depreciation accounting in respect of the asset, including any amount of impairment chargeable to the Income and Expenditure Account. As standard depreciation rules are used where an asset is part financed by loan, e.g. 50% loan, 50% Capital Receipt, then the full 100% depreciation charge on the asset is required to be charged as MRP. MRP is required to be charged annually until the cumulative amount of the provision is equal to the original expenditure financed by borrowing. Should the asset be disposed of then the charge needs to continue as if the asset had not been disposed of unless the debt is repaid.

11. Minimum Revenue Provision Policy 2016/17

The Council's MRP policy is to match borrowing against specific capital investment and adopt either the Asset Life (Equal Instalment) or the Asset Life (Annuity) method for MRP. In this way the funding for the asset will be paid off over the useful life of that asset. This will ensure that loans are repaid over the asset life thus freeing financial resources for investment in other schemes or in asset renewal. They are also simple to operate and gives certainty in each year as to the level of charge for principal.

The other advantage is that it makes business cases and scheme appraisals easier to compile. As a general rule the Council will seek to borrow over the same period of the asset life up to a maximum of 50 years in line with the Regulations. The total capital financing requirement at the end of 2015/16 is likely to be approximately £97.5m, some of which has financed redundancy payments and other shorter dated expenditure. Therefore MRP for 2016/17 will be calculated based on the capital financing requirement at the end of 2015/16 using the varying periods of repayment. The MRP charge for 2016/17 will be approximately £0.875 million. For the avoidance of doubt, it is proposed to use both options from 2015/16 onwards.

12. How does the decision contribute to the Council's Corporate Plan?

The Capital Programme contributes to all of the key purposes, as set out in the Corporate Plan.

13. What risks are there and how can they be reduced?

Areas of budgetary risk are highlighted to committee as part of the quarterly budget monitoring updates.

14. What is the impact of the decision on equality and diversity; health and wellbeing; safeguarding children, young people and vulnerable adults, community safety and the environment?

No impact

15. Are there any other options?

No

David Hodgson, Assistant Director Finance

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

Background papers used in compiling this report:

1. The Prudential Code for Capital Finance in Local Authorities
2. The Prudential Code Guidance Notes

Contact for enquiries:

Democratic Services (Committees)

Room 2.3

(01392) 265275

General Fund Prudential Indicator Calculations

The purpose of the prudential indicators is to demonstrate that the Council's financial plans meet the statutory requirement to be affordable, prudent and sustainable.

General Fund Capital Expenditure

The prudential indicator for capital expenditure should be based upon a capital programme that takes into account the Council's asset management and capital investment strategies.

Strategic Theme	2014/15 Actual £'000	2015/16 Estimate £'000	2016/17 Estimate £'000	2017/18 Estimate £'000	2018/19 Estimate £'000
KEEP PLACE LOOKING GOOD	3,357	731	501	0	0
KEEP ME/MY ENVIRONMENT SAFE & HEALTHY	339	690	955	400	400
HELP ME FIND SOMEWHERE TO LIVE	511	1,216	379	379	379
WELL RUN COUNCIL	1,115	3,035	1,889	218	184
PROVIDE GREAT THINGS FOR ME TO SEE & DO	696	2,082	56	56	56
MAINTAIN THE ASSETS OF OUR CITY	0	0	69	0	0
DELIVER GOOD DEVELOPMENT	310	2,089	1,423	8,000	5,000
HELP ME RUN A SUCCESSFUL BUSINESS	1,000	0	0	0	0
Total General Fund Capital Expenditure	7,328	9,843	5,272	9,053	6,019

General Fund Financing costs

The figures for the actual financing costs will be taken from the Council's financial statements using the definition of financing costs specified in the Prudential Code. Estimates for the current and future years should be calculated in a manner consistent with this definition.

Description	2014/15 Actual £'000	2015/16 Estimate £'000	2016/17 Estimate £'000	2017/18 Estimate £'000	2018/19 Estimate £'000
Interest payable with respect to short term borrowing	186	155	360	510	570
Interest payable under 'irredeemable' long term liabilities	0	0	0	0	0
Interest and investment income	(55)	(50)	(60)	(60)	(70)
Replacement for Minimum Revenue Provision (England and Wales)	1,332	818	875	871	1,136
Voluntary contribution to financing costs in respect of short-life assets	2,150	2,523	2,000	2,000	2,000
Total General Fund Financing Costs	3,613	3,446	3,175	3,321	3,636

General Fund Estimates of the ratio of financing costs to net revenue stream

The net revenue stream is the estimate of the amounts to be met from government grants and local taxpayers. An important theme of the Code is transparency. For this reason the authority's calculation of the net revenue stream should be consistent with the figure that can be identified in the Income and Expenditure Account for 'Net Operating Expenditure'.

When the Council is 'debt-free' the ratio of financing costs to net revenue stream will be negative. This reflects the fact that for 'debt-free' authorities, the negative financing costs are making a contribution to the Income and Expenditure Account.

Description	2014/15 Actual £'000	2015/16 Estimate £'000	2016/17 Estimate £'000	2017/18 Estimate £'000	2018/19 Estimate £'000
Financing costs	3,613	3,446	3,175	3,321	3,636
Net revenue stream (General Fund Expenditure - Budget Book/Financial Strategy)	13,884	12,759	12,226	11,791	11,502
Ratio of financing costs to net revenue stream %	26.0	27.0	26.0	28.2	31.6
Negative for a debt free authority	%	%	%	%	%

Estimates of the incremental impact of capital investment decisions on the Council Tax

A fundamental constraint on capital investment by a local authority is its scope to afford its financial implications. For local authorities it is ultimately determined by a judgement about acceptable council tax levels.

This prudential indicator shows the potential impact of the capital investment decisions on the Council Tax.

Description	2016/17 Estimate £'000	2017/18 Estimate £'000	2018/19 Estimate £'000
Total budgetary requirements for the authority with existing capital programme	11,532	11,772	11,502
Total budgetary requirements for the authority with proposed capital programme	12,226	11,791	11,502
Difference	694	19	0
Incremental Impact on Band D Council Tax	£19.97	£0.56	£0.00

General Fund Capital Financing Requirement

The Capital Financing Requirement will reflect the Council's underlying need to finance capital expenditure.

Actual General Fund Capital Financing Requirement at 31 March 2015

General Fund Capital Financing Requirement 31 March 2015	£'000
Property, Plant and Equipment	120,235
Investment Properties	35,702
Heritage Assets	22,643
Intangible Assets / Other Long term Assets	3,324
Revaluation Reserve	(64,636)
Capital Adjustment Account	(83,923)
General Fund Capital Financing Requirement 31 March 2015	33,345

Estimated General Fund Capital Financing Requirement at 31 March 2016

Estimate of General Fund Capital Financing Requirement 31 March 2015	33,345
Estimate of change in Property, Plant and Equipment	0
Estimate of change in Investment Properties	0
Estimate of change in Intangible Assets / Other Long term Assets	0
Estimate of change in Revaluation Reserve	0
Estimate of change in Capital Adjustment Account	6,261
Estimate of General Fund Capital Financing Requirement 31 March 2016	39,606

Estimated General Fund Capital Financing Requirement at 31 March 2017

Estimate of General Fund Capital Financing Requirement 31 March 2016	39,606
Estimate of change in Property, Plant and Equipment	0
Estimate of change in Investment Properties	0
Estimate of change in Intangible Assets / Other Long term Assets	0
Estimate of change in Revaluation Reserve	0
Estimate of change in Capital Adjustment Account	3,944
Estimate of General Fund Capital Financing Requirement 31 March 2017	43,550

Estimated General Fund Capital Financing Requirement at 31 March 2018

Estimate of General Fund Capital Financing Requirement 31 March 2017	43,550
Estimate of change in Property, Plant and Equipment	0
Estimate of change in Investment Properties	0
Estimate of change in Intangible Assets / Other Long term Assets	0
Estimate of change in Revaluation Reserve	0
Estimate of change in Capital Adjustment Account	13,259
Estimate of General Fund Capital Financing Requirement 31 March 2018	56,809

Estimated General Fund Capital Financing Requirement at 31 March 2019

Estimate of General Fund Capital Financing Requirement 31 March 2018	56,809
Estimate of change in Property, Plant and Equipment	0
Estimate of change in Investment Properties	0
Estimate of change in Intangible Assets / Other Long term Assets	0
Estimate of change in Revaluation Reserve	0
Estimate of change in Capital Adjustment Account	(4,244)
Estimate of General Fund Capital Financing Requirement 31 March 2019	52,565

REPORT TO: SCRUTINY COMMITTEE – RESOURCES, EXECUTIVE AND COUNCIL
Date of Meeting: Scrutiny Committee Resources – 27 January 2016
Executive – 9 February 2016
Council – 23 February 2016
Report of: HR Transactional Services Manager
Title: Annual Pay Policy Statement 2016/17

Is this a Key Decision?

No

Is this an Executive or Council Function?

Council

1. What is the report about?

To set out the council's annual Pay Policy Statement 2016/17 which must be approved by Full Council each financial year in line with legislation.

2. Recommendations:

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

- (i) The attached Policy and Appendix be adopted and published in accordance with the legislation.
- (ii) Delegated authority be given to the Head of Human Resources - currently HR Transactional Services Manager to make necessary amendments to the pay policy statement following any changes in legislation or subsequent increases in pay.

3. Reasons for the recommendation:

Section 38 (1) of the Localism Act 2011 requires English and Welsh Authorities to produce a statutory Pay Policy Statement each financial year commencing in 2012/13. The Secretary of State for Communities and Local Government issued further guidance in early 2013.

4. What are the resource implications including non financial resources:

There are no new resource implications created as a result of the revisions to the Pay Policy Statement.

5. Section 151 Officer Comments:

5.1 There are no additional financial implications arising from this report.

6. What are the legal aspects?

Local Authorities are required by Section 38 (1) of the Localism Act 2011 to set out a written statement each financial year in respect of certain policies related to the remuneration of its Officers.

7. Monitoring Officer Comments

The Monitoring Officer comments have not been obtained.

8. Report Details:

In line with statutory requirements, the Council's Pay Policy Statement has been reviewed and updated for 2016/17 for approval by full Council prior to publishing on the Council's website.

The revised policy and appendix take into account the following changes:

- The increase in the nationally determined living wage (Grades 1 and 2) in November 2015 which comes into effect at Exeter City Council on 1 April 2016 (paragraph 3.2)
- Implementation of the proposed nationally agreed pay award for 2016/17 for employees on Spinal Column Points 12-52 inclusive (Appendix 1)
- Implementation of the nationally negotiated 2016/17 pay award for Chief Officers and Chief Executives (Appendix 1)

(The current pay award has still to be accepted, these paragraphs can be amended once this has taken place)

9 How does the decision contribute to the Council's Corporate Plan?

The attached Statement supports a well run Council and our compliance with statute.

10 What risks are there and how can they be reduced?

There are no new implications arising from the recommendations.

11 What is the impact of the decision on equality and diversity; health and wellbeing; safeguarding children, young people and vulnerable adults, Economy safety and the environment?

Consideration has been given to the impact upon differing groups and a full assessment is not required.

12 Are there any other options?

No.

David Knight, HR Transactional Services Manager

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

Background papers used in compiling this report:

None

Contact for enquiries:

Democratic Services (Committees), Room 2.3, (01392) 26115

Exeter City Council

Pay Policy Statement 2015/16

1 Purpose and scope of the Policy

- 1.1 Section 38 (1) of the Localism Act 2011 (Part 1, Chapter 8, Sections 38 to 43) requires English and Welsh local authorities to produce a statutory pay policy statement each financial year.
- 1.2 The Act requires that a relevant authority must approve, through Full Council, a pay policy statement for the following financial year and this must set out the authority's policies for the financial year relating to:
- (a) the remuneration of its chief officers, (see Appendix 1)
 - (b) the remuneration of its lowest-paid employees (see Section 4 and Appendix 1), and
 - (c) the relationship between:
 - (i) the remuneration of its chief officers (Section 4 and Appendix 1), and
 - (ii) the remuneration of its employees who are not chief officers (see Section 4 and Appendix 1)
- 1.3 The statement must state:
- (a) the definition of "lowest-paid employees" adopted by the authority for the purposes of the statement, and (see Section 3)
 - (b) the authority's reasons for adopting that definition. (see Section 3)
- 1.4 The statement must include the authority's policies relating to:
- (a) the elements of remuneration for each chief officer, (see Section 2 and 5 and Appendix 1)
 - (b) remuneration of chief officers on recruitment, (see Section 5 and Appendix 1)
 - (c) increases and additions to remuneration for each chief officer, (see Section 5)
 - (d) the use of performance-related pay for chief officers, (see Section 5)
 - (e) the use of bonuses for chief officers, (see Section 5)
 - (f) the approach to the payment of chief officers on their ceasing to hold office under or to be employed by the authority, and (see Section 5)
 - (g) the remuneration of chief officers who return to local authority employment (See Section 5)

- (h) the publication of and access to information relating to remuneration of chief officers. (see Section 6)
- 1.5 This policy also takes into account “Openness and accountability in local pay: Guidance under section 40 of the Localism Act February 2012” and the letter from the Secretary of State to leaders of local authorities and chairs of fire and rescue authorities of 20 February 2013 which advocate:
- (a) Publishing the ratio between the highest paid employee and the median average earnings across an organisation (Section 4, Appendix 1)
 - (b) Explaining the approach to the setting and publication of fees for chief officers in respect of local election duties (Section 5)
 - (c) Setting out the policy for the remuneration of chief officers who return to Local Authority employment where the chief officer was a previously employed chief officer who left with a severance payment and applies to come back as a chief officer under an employment contract or contract for services (Section 5)
 - (d) Setting out the policy in respect of the employment of individuals and Chief Officers in receipt of a Local Government Pension Scheme pension, including pension abatement arrangements (Section 5)
 - (e) Full Council having the opportunity to approve salary packages and the cost of severance packages of £100,000 or more (Section 5)
- 1.6 In the context of managing scarce public resources, remuneration at all levels within the Council needs to be adequate to secure and retain high-quality employees dedicated to the service of the public, but at the same time providing value for money to the residents of Exeter.
- 1.7 Exeter City Council already works within a pay and reward framework which seeks to ensure that its pay and reward processes and procedures facilitate the retention and recruitment of employees with the right skills and capabilities to meet the needs of the Council now and in the future. The framework also takes account of regional and national variations, local market factors and is open and transparent and complies with equal pay legislation.
- 1.8 This Statement complies with the requirements of the Localism Act 2011 and the statutory guidance issued by Communities and Local Government in ‘Openness and accountability in local pay: Guidance under section 40 of the Localism Act’ which was issued on 17 February 2012.

2 Definition of Chief Officers

- 2.1 The posts which are defined as ‘Chief Officers’ for the purposes of this Statement are those scheduled in the Local Government and Housing Act 1989 under sections 4(1), 5(1), 2(6, 7 and 8) together with other members of the councils Strategic & Senior Management Teams. For Exeter City Council this term includes:

- Chief Executive and Growth Director (Head of Paid Service Section 4(1))
- Deputy Chief Executive (Non-Statutory Officer Section 2 (7a))
- Assistant Directors (Non-Statutory Officers Section 2 (7a)) – including the responsibilities of the Section 151 Officer (Statutory Officer Section 2 (6d))
- Corporate Managers (including the responsibilities of the Monitoring Officer (Section 5(1))

2.2 The post of Chief Executive & Growth Director is made on terms and conditions of employment agreed by the Joint National Council for Chief Executives and supplemented by local terms and conditions of employment agreed by Exeter City Council.

2.3 The posts of Deputy Chief Executive, Assistant Director and Corporate Manager are made on the terms and conditions of employment agreed by the Joint National Council for Chief Officers and supplemented by terms and conditions of employment agreed by Exeter City Council.

2.4 With the exception of the Chief Executive and Growth Director and Deputy Chief Executive all Chief Officer posts as defined in this Statement are subject to job evaluation using HAY. The remuneration of the Council's Chief Officers is set out in Appendix 1.

3 Definition & Remuneration of Lowest Paid

3.1 All posts which are not designated as Chief Officers in accordance with this Statement, and with the exception of apprentice roles, are subject to job evaluation using the National Joint Council for Local Government Services National Agreement on Pay and Conditions of Service.

3.2 The Council has adapted the National Local Government Pay Scale to include locally agreed spinal column points. With effect from 1 January 2014, the Council adopted the Living Wage as its minimum spinal column point, and the Living Wage of £8.25 / hour from 1 April 2016 equates to Grade 1 and Grade 2 of the Council's pay scale. The Living Wage is determined nationally in or around November each year. The Council applies any uplift to the living wage from 1 April in the year following the increase.

3.3 The Council therefore defines its lowest paid employees as those on Grade 1 of the Council's pay scale. The Council has adopted this definition as it can be easily understood.

3.4 The Council has 14 grades (excluding Apprentice) on its existing pay scale for employees not designated as Chief Officer in this Statement. With the exception of Grade 1, each Grade provides for incremental progression of between 1 and 3 scale points subject to satisfactory service. Increments are applied on the 1 April each year (or on the 6 month anniversary of the employee's appointment if the appointment falls between October and March inclusive, with subsequent increments applying from 1 April each year) until the postholder reaches the maximum of the grade.

4 Relationship between Remuneration

- 4.1 The Hutton Review of Fair Pay in the Public Sector outlined that the most appropriate metric for pay dispersion is the multiple of Chief Executive to median earnings. Whilst not a requirement of this Statement, tracking this multiple as recommended in the Code of Recommended Practice for Local Authorities on Data Transparency will ensure public service organisations are accountable for the relationship between the pay of their executives and the wider workforce.
- 4.2 The Council also publishes as part of this Statement the relationship between its Chief Executive and lowest paid employee. Both of these pay multiples are set out in Appendix 1.
- 4.3 Through this policy the pay multiple of the Chief Executive and Growth Director will be monitored annually. Should the multiplier between the annual salary paid to a full time employee on the lowest spinal column point and the annual full time salary payable to the Chief Executive and Growth Director be greater than 10, this will be reported to full Council for consideration.

5 Chief Officer Remuneration

- 5.1 The Joint Negotiating Committee has previously emphasised that ‘it is good governance that local authorities can demonstrate that decisions on pay and reward packages for chief executives and chief officers have been made in an open and accountable way.’
- 5.2 Salaries for chief officers operate on the basis of fixed pay points and are therefore not subject to a salary scale providing for incremental progression. New appointments will be made to the appropriate pay point in force at the time of the appointment. These fixed pay points will be agreed through an accountable and transparent process. Salary levels will be consistent with similar organisations which aim to pay according to median salaries. There will be due regard to balance the need to ensure value for money but enable Exeter City Council to recruit and retain high quality chief officers in the context of national, regional and local labour markets.
- 5.3 In determining any future changes to the remuneration package for appointments to Chief Officer posts as defined in this Statement, the Leader of the Council will take independent pay advice. The Leader will then, in consultation with the Chief Executive and Growth Director, except in relation to the pay of the Chief Executive and Growth Director, make recommendations which will be subject to the approval of full Council.
- 5.4 The Leader of the Council, in consultation with the Chief Executive and Growth Director, except in relation to the remuneration package of the Chief Executive and Growth Director, may recommend to full Council changes to the

remuneration package following an annual review. Any changes to the remuneration packages will be subject to full Council approval.

- 5.5 Salary increases for Chief Officers defined in this Statement in relation to cost of living will be made in line with increases agreed by the Joint National Council's for Chief Officers and Chief Executives as appropriate.
- 5.6 At present, there are no additional payments made to chief officers in relation to performance related pay or the use of bonuses.
- 5.7 Any termination payments to chief officers on ceasing office will comply with Exeter City Council's Organisational Change and Local Government Pension Scheme Employer Discretions Policies which are subject to the Local Government (Early Termination of Employment) (Discretionary Compensation) (England and Wales) Regulations 2006, as amended and in force at the time. All such payments are equally applicable to all employees. The Employer Discretions Policy and severance payments (which include redundancy / efficiency compensation, pension strain and pay in lieu of notice) in excess of £100,000 are subject to approval at Full Council. No additional payments will be made to Chief Officers without express approval by Full Council.
- 5.8 A chief officer appointment (under an employment contract or contract for services) will not be offered to any former chief officer in receipt of a severance payment, except in circumstances where they left employment as a result of being made redundant from their previous Chief Officer role, without the approval of Full Council.
- 5.9 Exeter City Council will not enter into employment or service contracts with any persons in receipt of a local government pension within 12 months of the termination date of their previous employment without the approval of Full Council. Employees of the Council who are also in receipt of a local government pension may have their pension abated in accordance with legislation / policy as enacted / determined by the relevant pension administrator.
- 5.10 The Council's Policy on Market Supplements applies to all posts at the Council, including Chief Officers. Evidence based market supplements will be subject to periodic review to ensure they continue to be justifiable. No Chief Officer is currently in receipt of a Market Supplement.
- 5.11 Additional payments are made by Central Government to officers (including the Returning Officer) carrying out additional duties at Parliamentary, European and other national elections and referendums. These payments are set nationally and are not within the scope of this Statement. Payments to the Returning Officer and other officials for duties in relation to City Council elections are linked proportionately to these national rates.

6 Transparency & Publication of Data

- 6.1 This Statement aims to ensure that the process for setting pay at a senior level is transparent fair and consistent. This policy will be reviewed annually to track the relationship of chief officer pay with the rest of the workforce.
- 6.2 The Council will publish its Pay Policy Statement on the Exeter City Council website alongside information related to the Council's management structure. Further information relating to the remuneration of Chief Officers is published in the Council's annual Statement of Accounts.

7 Equality Impact Considerations

- 7.1 The principles of equal pay are integral to this policy and applied consistently within the pay and reward frameworks adopted by Exeter City Council. The definition of Equal Pay is:
- Like work where the woman and the man are doing the same job
 - Work rated as equivalent where the 2 jobs are different but have been evaluated by the employer's job evaluation scheme at the same level/grade
 - Work of equal value where the jobs are different but an argument is made that both jobs should be regarded as being of equal value or worth.

8 Related Policies/Strategies, Procedures and Legislation

- 8.1 Exeter City Council pay and reward policies and procedures are operated within the framework of JNC and NJC terms as nationally negotiated and agreed and supplemented by local agreements. The Council applies the national framework for job evaluation and works within equality and equal pay legislation in order to apply all pay related issues in a fair, consistent and transparent way.
- 8.2 Key policies/procedures/strategies and legislation include:
- Exeter City Council Pay and Reward Policies, frameworks and local agreements
 - Equal Pay Legislation
 - Equality Act 2010
 - Localism Act 2011
 - Openness and accountability in local pay: Guidance under section 40 of the Localism Act February 2012
 - Local Government Act 1972
 - Local Government & Housing Act 1989

1. Levels and elements of remuneration for each chief officer role as at April 2016

Post title	Full time Remuneration
Chief Executive and Growth Director	£110,000
Deputy Chief Executive	£89,760
Assistant Director x 7	£65,280
Corporate Manager x 4	£57,120

2. The FT remuneration of the lowest paid employee

Post title	Full time Remuneration
Solo Sweeper/MRF Operative	£15,917

3. The multiplier of the remuneration of the chief officer based upon taxable earnings:

Post Title	Full time Remuneration
Annual median pay of all employees	£20,001 (£20,201 1% increase)
Pay multiple of Chief Executive and Growth Director to median	5.50 (5.45 1% increase)
Pay multiple of Chief Executive and Growth Director to lowest paid FT employee	6.91

This page is intentionally left blank

EXETER CITY COUNCIL

REPORT TO: EXECUTIVE
DATE OF MEETING: 9 FEBRUARY 2016
REPORT TO: COUNCIL
DATE OF MEETING: 23 FEBRUARY 2016

REPORT OF: ASSISTANT DIRECTOR FINANCE
TITLE: GENERAL FUND / HRA ESTIMATES AND CAPITAL PROGRAMME 2016/17

Is this a Key Decision?

No

Is this an Executive or Council Function?

Council

1. What is the report about?

1.1 To approve the General Fund revenue estimates for 2016/17 and to recommend the Band D level of Council Tax for 2016/17. This report also includes the proposed Capital Programme for 2016/17 and future years, and the proposals in respect of the Housing Revenue Account.

2. Recommendations:

2.1 It is recommended that :

2.1.1 the Council's overall spending proposals in respect of both its revenue and capital budgets are approved;

2.1.2 the council tax for each Band be recommended to the Council as set out in section 8.19.3 subject to Devon County Council, OPCC Devon and Cornwall and the Devon and Somerset Fire Authority confirming their Band D levels respectively;

2.1.3 when the actual council tax amounts for Devon County Council, Devon and Cornwall Police and Crime Commissioner and the Devon and Somerset Fire Authority are set then the revised council tax levels be submitted to Council on 23 February 2016 for approval;

2.1.4 Members note the Statement given by the chief finance officer as required under Section 25 of the Local Government Act 2003.

2.1.5 Council approves the new distribution methodology for the New Homes Bonus set out in 8.7.2.

3. Reasons for the recommendation:

3.1 To ensure that the Council is in a position to set a budget and determine the Council Tax for the City of Exeter in line with the statutory timeframe.

4. What are the resource implications including non financial resources

4.1 The report sets out the proposed budgets for 2016/17. Details of the resource implications are set out in section 8.

5. Section 151 Officer comments:

5.1 The proposed budget will achieve the requirement to maintain a minimum balance in excess of £3 million. The Medium Term Financial Plan is balanced, but there is uncertainty over the future funding of Local Government in general.

6. What are the legal aspects?

6.1 The Council is required by the Local Government Act 1992 to determine the Council Tax for the following year. In order to do this, a balanced budget is prepared.

7. Monitoring Officer's comments:

7.1 This report raises no issues of concern for the Monitoring Officer.

8. Report Details:

8.1 LOCAL GOVERNMENT FINANCE SETTLEMENT

8.1.1 The Government announced the provisional Local Government Settlement on 17 December 2015. The Council is to receive £5.802 million in 2016/17, which is £110,000 lower than predicted within the Medium Term Financial Plan. At this stage there is no intention to revisit the budgets set and the shortfall can be managed within the budget.

8.1.2 Appendix 1 shows as a comparison the formula funding settlement figures for all Devon authorities. The final settlement figures will be announced later this month but at this stage it is not expected that they will be significantly different from the provisional announcement. The figures show that in comparison with the other Devon Districts the City Council has fared better in percentage terms of formula funding reduced.

8.1.3 The provisional settlement has provided indicative figures for the next four years, with an offer to agree a four year settlement with the Government. Further details are yet to be announced, but the figures could change even after agreement if circumstances require further savings. Over the four year period, the Revenue Support Grant for the Council reduces from £2.022m in 2016/17 to £0.365m in 2019/20. Although dramatic, many Council's find themselves in a negative position by 2019/20 and will have their business rates top-up / tariff adjusted as a result.

8.1.4 In the grant settlement the Government announced that councils will face an average cut of 6.7% based upon councils 'core spending power'. Core spending power is a new definition used by the Government, which encompasses an individual authority's:

- Council Tax Requirement including estimates of Council Tax increases and increases in the Taxbase;
- Social Care Precept (not applicable for district councils);
- Formula Grant;
- New Homes Bonus;
- Rural Services Delivery Grant and
- Better Care Fund (not applicable for district councils).

Appendix 2 shows a comparison of Devon authorities using this definition of revenue spending power. Using this measure Exeter's core spending power reduces by 14.8% over the period.

8.2 COUNCIL TAX

- 8.2.1 The Local Government Finance Settlement set the referendum level for District Councils in the lowest quartile of Council Tax rates at no more than £5 rather than 1.99%. Exeter falls into this category and therefore has the opportunity to increase its Council Tax by £5 (3.7%). Along with the increase in the taxbase this would raise an additional £269,000.

8.3 BUSINESS RATES POOL

- 8.3.1 Local Authorities in Devon (with the exception of South Hams DC) have agreed to form a Business Rates pool for a fourth year. The benefits of the pool are that any additional growth within Devon is shared between the Councils in Devon rather than a levy being paid over to Central Government. However there are risks that where a Council's Business Rates income falls below their safety net, then it is the responsibility of the members of the pool to make payments to them rather than Central Government. The budget allows for a small gain from pooling.

8.4 KEY ASSUMPTIONS

- 8.4.1 An overall allowance of £150,000 has been allowed for inflation. The inflationary increases allowed in the budget are:

Pay award	1.0%
Pay – Increments	0.5%
Electricity	1.5%
Gas	1.5%
Oil	1.5%
Water	0.0%
Insurance	5.0%
Rates	1.2%
Fuel	0.0%
General Inflation	0.0%
Income (excluding Car Parks)	1.5%

- 8.4.2 General inflation has again been held at zero; however where there are contracts in place, inflation at around RPI has been added. The pay award for 2016/17 has yet to be agreed and therefore an estimate of 1% has been added in line with Government policy.
- 8.4.3 In respect of interest rates, next year's budget reflects the likelihood that whilst base rate may remain low, it is likely that the cost of borrowing will increase and the Council may begin to take out borrowing over a longer timeframe as a result.

8.5 FURTHER ISSUES TO BE CONSIDERED

- 8.5.1 Before the Council can finalise its revenue budget for next year there are a number of issues that require further consideration as follows: -

- Equality Impact Assessment
- New Homes Bonus
- Future spending pressures and review of the medium term financial planning process
- The level of reserves and balances

8.6 EQUALITY IMPACT ASSESSMENT

8.6.1 Equality Impact Assessments (EQIA) form part of the Council's decision making process and are a tool to help the Council identify what effect or possible effects its work may have on different groups of people. All local authorities have a legal responsibility to assess their policies and functions, and to set out how they will monitor any possible negative impact on equality target groups. The Council needs to consider the impact on equalities of all new and reviewed Council strategies, policies, projects, services or functions, budget decisions and restructures. By anticipating the consequences of its actions on equality groups the Council can make sure that, as far as possible, any negative consequences are eliminated, minimised or counterbalanced by other measures, and opportunities for promoting equality are maximised. As part of this process any revenue savings proposals are assessed for any potential equality issues and EQIA's are undertaken as appropriate with the results available on the council's web site.

8.7 NEW HOMES BONUS

8.7.1 The New Homes Bonus is designed to create an effective fiscal incentive to encourage local authorities to facilitate housing growth. The scheme provides local authorities with a New Homes Bonus grant, equal to the national average for the council tax band on each additional property and paid for the following six years as an unringfenced grant. There is also an enhancement for affordable homes. Whereas previously DCLG has allocated additional funding for the scheme in 2011/12 and 2012/13, this has no longer been the case since 2013/14 with funding for the scheme being 'top-sliced' from mainstream grant funding.

8.7.2 To date the Council has received New Homes Bonus of £0.389 million in 2011/12, £1.323 million in 2012/13, £2.205 million in 2013/14, £2.778 million in 2014/15, £3.529 million in 2015/16 and provisionally been notified that it will receive a further £4.232 million in 2016/17. A new methodology for distributing New Homes Bonus is being proposed for this financial year and has the following impact:-

Year	Top Slice (revenue) £000's	Community Projects £000's	Major Projects /Debt Reduction £000's	Unused / Projects £000's	Revenue £000's	Total £000's
2011/12	-	-	-	389	-	389
2012/13	120	361	601	241	-	1,323
2013/14	120	286	1,757	42	-	2,205
2014/15	120	286	2,372	-	-	2,778
2015/16	120	286	3,123	-	-	3,529
2016/17	120	189	2,000	923	1,000	4,232
Total	600	1,408	9,853	1,595	1,000	14,456

8.7.3 The Government is consulting on the future format of New Homes Bonus, with the specific intention of freeing up £800 million of funding for Adult Social Care. The consultation runs until 10 March 2016 and looks at various options for reducing the value of the award. These range from reducing the length of award from 6 to 4 years (or even 3 or 2 years), and sharpening the incentive by reducing payments for e.g. no Local Plan, houses built after a successful appeal, or removing an amount of award for houses that would have been built regardless. The results vary but could reduce the New Homes Bonus for Exeter by around half.

8.8 REVISED MEDIUM TERM REVENUE PLAN (APPENDIX 3)

- 8.8.1 An updated Medium Term Financial Plan (MTFP) is set out in Appendix 3. There have been a number of changes to the financial plan since it was reported in December after additional spending pressures were identified during the budget setting process. The MTFP currently indicates that no additional savings are required over the next four years (2016/17 – 2019/20), although savings identified in future years, particularly in Public Realm will be considered annually to ensure that they are achievable.
- 8.8.2 Looking to the longer term there are a number of uncertainties and factors that could affect the future financial position. These include: the revaluation of Business Rates in time for 2017/18, the consultation on New Homes Bonus, potential costs arising from the review of service plans, the cost of any new statutory functions, and additional borrowing and revenue costs in respect of any new capital programme commitments. Any additional revenue costs / reduced income streams that are not currently identified within the medium term financial plan will have to be met from further savings. Further ahead, the move to 100% Business Rate retention by Local Government as a whole provides further uncertainty over future funding levels. Consultation on the new proposal is due this year.

8.9 BALANCES AND RESERVES

- 8.9.1 The Council's current policy is such that the minimum level of the General Fund Balance will remain above £2 million. As the Council faces greater uncertainty in the medium term over funding it is prudent to hold reserve levels at a higher rate to offset sudden losses of income. The latest estimated position of the General Fund Balance is that it will be £4.135 million as at 31 March 2016, equivalent to 25.4% of Exeter's net revenue budget. The Council's revised medium-term financial plan (Appendix 3) indicates that the General Fund Balance will increase to £4.880 million by the end of 2019/20.
- 8.9.2 The Council also has other reserves that have been earmarked for specific purposes. The Council's proposed revenue budget for 2016/17 includes a net transfer to earmarked reserves of £631,000. This is broken down as shown below:-

Transfer (from)/ to reserves:

	2016/17 £'000
Transfers to Reserves	
New Homes Bonus	<u>4,232</u> 4,232
Transfers from Reserves	
New Homes Bonus	<u>(3,601)</u> (3,601)

8.10 REVENUE ESTIMATES 2016/17 (APPENDIX 4)

- 8.10.1 The Council's revenue estimates for next year have been considered during the recent cycle of Scrutiny Committee meetings, with this final budget report to the Executive for approval at Council on 23 February 2016. In total, Service Committee Expenditure for 2016/17 is £12,548,290 which is £21,580 higher than the current year.
- 8.10.2 In addition there are other items to take into account referred to as 'below the line' as they do not form part of the individual service controllable budgets. These include an estimate of £300,000 for net borrowing in respect of the overall cash balances, £2,875,000 towards meeting the borrowing costs of the Council's capital programme, and new homes bonus grant and transfers in respect of balances and reserves. The Council's total General Fund Expenditure budget requirement for 2015/16 is planned to be £12,151,861, an increase of £195,071 compared to 2015/16.

8.11 COUNCIL TAX BUDGET REQUIREMENT 2016/17

8.11.1 As stated above, the Government is setting the referendum trigger for District Councils with a lower quartile Council Tax level at above £5 or 2%, whichever is higher. The budget has been set on the basis of a £5 increase, although this is ultimately a Member decision. It should be noted that in the Government spending calculations, they have assumed that all authorities in the lower quartile will raise their Council Tax by £5 and have set the spending reductions accordingly.

8.11.2 When all the Government Grant funding is taken into account the resultant net expenditure to be financed from council tax is £5,029,636 (as indicated in Appendix 4), an increase of £268,846 compared to 2015/16.

Each year the Council must estimate the likely surplus or deficit position on its Collection Fund and any such amounts must be taken into account when determining the band D Council Tax amount for 2015/16. For next year it is estimated that the collection fund will have a surplus (£67,778), which will be used to fund part of the expenditure to be financed from Council Tax.

8.11.3 After taking into account the surplus and the taxbase of 35,429, the proposed band D council tax for 2016/17 is £140.05, which means that the council tax would increase annually by £5.00 or 3.70%. An increase of 1.99% would reduce the Council Tax requirement by £82,222, which would have to be taken from reserves.

8.12 HOUSING REVENUE ACCOUNT (HRA) (APPENDIX 6 & 7)

8.12.1 Since April 2012, the Council's HRA is expected to be self-financing. Thus all income collected locally from rents, service charges and other sources are kept at a local level to deliver housing services to tenants and to maintain the housing stock.

8.12.2 The main features of self-financing are:

- The HRA is framed by the Local Government and Housing Act 1989. This Act created the ring-fence and the structure within which the HRA operates and covers the detailed operation of the HRA, including the credits (income) and debits (expenditure) which make up the account.
- The Government have put a limit on the amount of borrowing the authority can have for the purposes of the HRA, called the 'debt cap'. For Exeter City Council, the debt cap is £57,882,413.
- The Chancellor's Autumn Statement announced that the cap limiting the amount councils can borrow will be increased by £150m in both 2015-16 and 2016-17. This allocation will be subject to a competitive bidding process with local authorities submitting proposals to build new homes using the additional borrowing facility. Exeter has not bid for an increased borrowing limit.
- Local authorities are expected to maintain a long term housing business plan for financial and service planning, monitoring progress and managing risk.

8.12.3 On 8 July 2015 the Chancellor announced in the Summer Budget that local authorities would be required to reduce rents in social housing in England by 1% a year for 4 years.

This was an unexpected policy change, as local authorities had previously been given assurance that rents would rise by Consumer Price Index inflation (CPI) + 1% for the ten years; 2015-16 to 2024-25. In overall terms, the 1% reduction in rents is expected to lose the HRA £7.9 million over the next 4 years compared to previous income projections.

For 2016-17 this will result in an average reduction of £0.77 per week, over 52 weeks, per property.

8.12.4 There is a forecast deficit in 2016/17 for the HRA of £44,125, which will be funded from balances. In respect of the Council's Own Build properties a surplus of £38,020 is forecast.

8.13 **CAPITAL PROGRAMME RESOURCES (APPENDIX 8)**

8.13.1 In previous years the annual capital programme has been financed from Government allocated grants together with money from the Council's own capital receipts and capital reserves. However the funding from these sources has now reduced and as a result the Council has to use borrowing instead to fund a significant part of its proposed capital programme. This also has an ongoing impact on the Council's revenue budget. The Council must ensure that any borrowing decisions remain affordable and to this end, has to adopt a number of prudential indicators, which are set out in the Prudential Code for Capital Finance in Local Authorities developed by CIPFA. A separate report to this meeting of the Executive sets out the Council's Prudential Indicators for approval by members.

8.13.2 The following capital resources are available for General Fund (£1.805m) and Housing (£19.601m) in 2016/17. The Capital Programme totals £5.272 million in respect of the General Fund and £16.118 million for the HRA. The borrowing requirement for the General Fund is £3.467 million. Appendix 8 sets out the forecast use of the resources available for the General Fund and the Housing Revenue Account and the likely amounts of borrowing that will be necessary to fund the capital programme in the future.

8.14 **GENERAL FUND CAPITAL PROGRAMME (APPENDIX 9)**

8.14.1 The proposed capital programme is set out in Appendix 9. The programme for 2015/16 totals £5.272 million. The capital programme has been set out in line with the Council's current purposes, in order to demonstrate how the Council's capital priorities help to contribute towards their achievement. Although a number of schemes contribute to the achievement of more than one purpose, they have been placed under the purpose to which it is considered the scheme contributes the most.

8.15 **HOUSING REVENUE ACCOUNT CAPITAL PROGRAMME (APPENDIX 10)**

8.15.1 For 2016/17 the medium term financial strategy provides for a HRA capital programme of £16.118 million. This is funded from:

- Major Repairs Allowance £6.277 million
- Revenue Contributions to Capital £4.689 million
- Capital Receipts £0.750 million
- DoH Funding £0.700 million
- Commuted Sums £3.702 million

8.16 RISK ASSESSMENT

8.16.1 It has already been mentioned above in this report that our financial forecasts are based on a number of assumptions including the level of inflation, interest rates, income levels, support from the Government and general prevailing economic conditions. In addition there are a number of uncertainties that could affect the financial position either now or in the future. These include the level of future years' pension contributions, potential costs arising from the review of service plans, and the cost of any new statutory functions.

8.16.2 Although the Council faces risks from the assumptions and uncertainties outlined above these have been mitigated by the following:

- Adopting a prudent approach to financial forecasting which involves obtaining information from external professional sources
- Continuous monitoring and review of the key factors together with regular reports to Strategic Management and Members on any key issues
- Regular budget monitoring meetings with budget managers to ensure that budget pressures are identified at the earliest opportunity
- The adoption of robust financial management arrangements including option appraisal, risk assessment and financial monitoring
- Retaining a prudent level of reserves and balances

8.16.3 As part of the general budget-setting process the Council needs to also consider the risks inherent in the budgets set and the adequacy of the measures put in place to manage the potential risks.

8.17 STATEMENT OF THE ROBUSTNESS OF ESTIMATES AND ADEQUACY OF RESERVES

8.17.1 There is a requirement under Section 25 of the Local Government Act 2003 that requires the chief finance officer of a local authority to formally report to its members on the robustness of the estimates and the adequacy of its reserves when it is considering its budget and council tax.

8.17.2 I have already outlined above in this report the key assumptions that have been made in the budget proposals for next year including an assessment of the risks and mitigating factors. As the chief finance officer for this Council I therefore consider that the budget estimates for 2016/17 that have been prepared are both robust and achievable.

8.17.3 The Council's current policy is such that the minimum level of the General Fund Balance will be £2 million. In the current financial climate, with uncertainty regarding the new financing of Local Government and taking into account the potential level of financial risk facing the Council in the medium term, it is proposed to keep reserves at a higher level (£3 million and above). The latest estimated position of the General Fund Balance is that it will be £4.135 million as at 31 March 2016, equivalent to 25.4% of Exeter's net revenue budget. The Council's current medium-term financial plan indicates that the General Fund Balance will continue to rise to £4.880 million by the end of 2019/20.

8.17.4 The Council's financial strategy recognises the need to maintain a General Fund Balance to provide stability for both medium and longer term planning and to provide a contingency against unforeseen events. In setting this minimum amount of £3 million the following have been taken into account: -

- The size of the authority
- The volatility of some income and expenditure budgets
- The risks faced by the Council with regard to funding unforeseen events
- The financial risks inherent in partnerships, outsourcing deals and as accountable body for external funding

8.17.5 The Council's estimated revenue Reserves are as follows: -

<u>Earmarked</u>	31/03/2015 £'000	31/03/2016 £'000	31/03/2017 £'000
Total Earmarked Reserves	5,640	4,744	5,375
<u>Non-Earmarked</u>			
General Fund Balance	3,975	4,135	4,164

8.18 PRECEPTS

8.18.1 Devon County Council, the Office of the Police and Crime Commissioner Devon and Cornwall (OPCC Devon and Cornwall) and the Devon and Somerset Fire Authority will all precept separately upon the council tax payers in Exeter. The County Council, OPCC Devon and Cornwall and Devon & Somerset Fire Authority will meet on the 18th, 5th and 19th February respectively. The precepts will be tabled at the Council meeting for approval.

8.18.2

	2015/16	2016/17	Change	
	£	£	£	%
Devon County Council	1,161.27	x,xxx.xx	xx.xx	x.xx
OPCC Devon and Cornwall	169.47	xxx.xx	x.xx	x.xx
Devon and Somerset Fire Authority	78.42	xx.xx	x.xx	x.xx
Total Precept	1,409.16	x,xxx.xx	xx.xx	x.xx

8.19 FINAL POSITION

8.19.1 Based upon the recommendations above the aggregate requirements of Exeter City Council, Devon County Council, OPCC Devon and Cornwall and the Devon and Somerset Fire Authority will result in a council tax for the City of Exeter for 2016/17 of £x,xxx.xx per Band D property.

8.19.2 This is an overall increase of £xx.xx (x.xx%) on the amount of £1,544.21 levied for 2015/16.

8.19.3 The detailed figures are: -

Band	Exeter £	DCC £	Police £	Fire £	Total £
A	93.37	xxx.xx	xxx.xx	xx.xx	x,xxx.xx
B	108.93	xxx.xx	xxx.xx	xx.xx	x,xxx.xx
C	124.49	x,xxx.xx	xxx.xx	xx.xx	x,xxx.xx
D	140.05	x,xxx.xx	xxx.xx	xx.xx	x,xxx.xx
E	171.17	x,xxx.xx	xxx.xx	xx.xx	x,xxx.xx
F	202.29	x,xxx.xx	xxx.xx	xxx.xx	x,xxx.xx
G	233.42	x,xxx.xx	xxx.xx	xxx.xx	x,xxx.xx
H	280.10	x,xxx.xx	xxx.xx	xxx.xx	x,xxx.xx

9. How does the decision contribute to the Council's Corporate Plan?

9.1 The budget underpins the Corporate Plan by determining the amount of funds available to the Council to deliver its priorities.

10. What risks are there and how can they be reduced?

10.1 The key risks are set out in section 8.16 above

11. What is the impact of the decision on equality and diversity; health and wellbeing; safeguarding children, young people and vulnerable adults, Economy safety and the environment?

11.1 Not applicable.

12. Are there any other options?

12.1 Not applicable.

Dave Hodgson, Assistant Director Finance

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

Background papers used in compiling this report:

None

Contact for enquiries:

Democratic Services (Committees)

Room 2.3

(01392) 265275

FORMULA GRANT DECREASES - DEVON AUTHORITIES

Authority	Grant	Grant	Yearly Decrease %	Grant	Yearly Decrease %	Grant Decrease 2014/15 - 2016/17	
	2014/15 £m	2015/16 £m		2016/17 £m		£m	%
Devon	207.599	178.918	(13.8%)	151.644	(15.2%)	(55.955)	(27.0%)
Plymouth	114.307	96.900	(15.2%)	86.599	(10.6%)	(27.708)	(24.2%)
Torbay	64.299	54.973	(14.5%)	49.836	(9.3%)	(14.463)	(22.5%)
East Devon	5.140	4.437	(13.7%)	3.644	(17.9%)	(1.496)	(29.1%)
Exeter	7.832	6.635	(15.3%)	5.802	(12.6%)	(2.030)	(25.9%)
Mid Devon	4.286	3.713	(13.4%)	3.043	(18.0%)	(1.243)	(29.0%)
North Devon	5.742	4.931	(14.1%)	4.183	(15.2%)	(1.559)	(27.2%)
South Hams	3.696	3.156	(14.6%)	2.514	(20.3%)	(1.182)	(32.0%)
Teignbridge	6.491	5.558	(14.4%)	4.707	(15.3%)	(1.784)	(27.5%)
Torrige	4.584	3.906	(14.8%)	3.331	(14.7%)	(1.253)	(27.3%)
West Devon	3.168	2.711	(14.4%)	2.132	(21.4%)	(1.036)	(32.7%)

This page is intentionally left blank

REVENUE SPENDING POWER CHANGES - DEVON AUTHORITIES

Authority	Core Spending Power 2015/16	Core Spending Power 2016/17	Core Spending Power 2017/18	Core Spending Power 2018/19	Core Spending Power 2019/20	Core Spending Power Change	
	£m	£m	£m	£m	£m	£m	%
Devon	506.6	492.5	489.5	505.7	525.5	18.9	3.7%
Plymouth	193.7	186.7	183.0	185.4	189.7	(4.0)	(2.1%)
Torbay	113.1	108.7	106.8	108.6	111.5	(1.6)	(1.4%)
East Devon	14.3	15.2	15.1	13.7	13.7	(0.6)	(4.2%)
Exeter	14.9	15.0	14.6	12.9	12.7	(2.2)	(14.8%)
Mid Devon	10.4	10.1	10.0	9.3	9.3	(1.1)	(10.6%)
North Devon	11.2	11.0	10.6	10.1	10.0	(1.2)	(10.7%)
South Hams	10.2	10.2	10.1	9.3	9.4	(0.8)	(7.8%)
Teignbridge	15.6	15.7	15.3	13.8	13.6	(2.0)	(12.8%)
Torrige	8.8	8.8	8.7	7.9	7.9	(0.9)	(10.2%)
West Devon	8.3	8.2	8.0	7.4	7.4	(0.9)	(10.8%)

This page is intentionally left blank

MEDIUM TERM REVENUE PLAN (2014/15 - 2019/20)

	2014/15 £'000	2015/16 £'000	2016/17 £'000	2017/18 £'000	2018/19 £'000	2019/20 £'000	
Resources							
Revenue Support Grant	4,167	2,899	2,022	1,320	869	365	
Business Rates Income (assumed by Government)	3,678	3,748	3,780	3,854	3,968	4,095	
Business Rates growth	1,241	1,201	1,170	1,203	1,242	1,254	
Business Rates pooling benefit	228	150	150	150	150	150	
Additional Business Rates					1,220	1,220	
New Homes Bonus	2,778	3,529	4,232	4,438	4,153	4,000	
Council Tax	4,570	4,761	5,030	5,099	5,239	5,383	
Likely resources	16,662	16,288	16,384	16,064	16,841	16,467	
Expenditure							
Service expenditure							
Committee expenditure base budget	11,796	12,059	12,527	12,549	12,333	11,632	
Inflation	358	258	150	300	300	300	
Potential increase in service costs	1,370	1,587	847	(41)	(481)	(45)	
Budgeted reductions	(1,465)	(1,377)					
	12,059	12,527	13,524	12,808	12,152	11,887	
Supplementary Budgets and AIM Carry Forward	414	965					
Net Interest	148	105	300	450	500	550	
Deficit on Business Rates Collection Fund	1,215	728	0	0	0	0	
Forecast Committee movements	(467)	(472)					
Repayment of debt	1,332	818	875	871	1,136	1,051	
Additional repayment of debt	2,151	2,353	2,000	2,000	2,000	2,000	
	16,852	17,024	16,699	16,129	15,788	15,488	
Other funding							
Contribution to/ (from) earmarked reserves	(800)	(896)	631	657	872	819	
Contribution to/ (from) balances - Other	610	160	29	(247)	701	224	
	(190)	(736)	660	410	1,573	1,043	
Identified Savings 2016-17			(975)	(475)	(520)	(64)	
Further savings required							0
Total Net Budget	16,662	16,288	16,384	16,064	16,841	16,467	

Total additional savings required by 2019/20 **0**

Opening General Fund Balance	3,365	3,975	4,135	4,164	3,917	4,618
Closing General Fund Balance	3,975	4,135	4,164	3,917	4,618	4,842
Balance as a percentage of budget	23.9%	25.4%	25.4%	24.4%	27.4%	29.4%

This page is intentionally left blank

	2015-16 Budget	2016-17 Budget	Change
	£	£	£
SCRUTINY - COMMUNITY	9,063,180	8,772,250	(290,930)
SCRUTINY - ECONOMY	149,250	445,730	296,480
SCRUTINY - RESOURCES	6,074,060	6,211,570	137,510
less Notional capital charges	(2,759,780)	(2,881,260)	(121,480)
<u>Service Committee Net Expenditure</u>	12,526,710	12,548,290	21,580
Net Interest	150,000	300,000	150,000
New Homes Bonus	(3,528,980)	(4,232,490)	(703,510)
Minimum Revenue Provision	1,570,730	2,875,000	1,304,270
<u>General Fund Expenditure</u>	10,718,460	11,490,800	772,340
Transfer To/(From) Working Balance	(369,650)	29,571	399,221
Transfer To/(From) Earmarked Reserves	1,607,980	631,490	(976,490)
<u>General Fund Net Expenditure</u>	11,956,790	12,151,861	195,071
Formula Grant	(6,635,000)	(5,802,225)	832,775
Business Rates Growth	(561,000)	(1,320,000)	(759,000)
Council Tax	(4,760,790)	(5,029,636)	(268,846)
	0	0	0

Working Balance

March 2016
4,135,000March 2017
4,164,571

This page is intentionally left blank

**EXETER CITY COUNCIL
2015/16 COUNCIL TAX - SUMMARY**

APPENDIX 5

	2015/16		2016/17	
Council Tax Base	34,750		35,429	
	Total Expenditure £	Band D Council Tax £	Total Expenditure £	Band D Council Tax £
General Fund Budget	4,760,790	137.00	5,029,636	141.96
Collection Fund (Council Tax) Surplus	(67,782)	(1.95)	(67,782)	(1.91)
TOTAL	4,693,008	135.05	4,961,854	140.05

This page is intentionally left blank

2016/17 HRA ESTIMATES

	2015/16 BUDGET £	2016/17 BUDGET £	CHANGE £
Management	4,111,740	4,642,820	531,080
Sundry Land Maintenance	392,140	495,550	103,410
Repair & Maintenance Programme	6,419,900	6,539,900	120,000
Non-recurring budget - Resolve Damp Ingress	2,122,612	0	(2,122,612)
HRA SERVICE PROVISION EXPENDITURE	13,046,392	11,678,270	(1,368,122)
Revenue Contribution to Capital	5,771,930	4,689,075	(1,082,855)
Capital Charges	2,484,370	2,656,950	172,580
Net Interest	1,936,560	1,914,060	(22,500)
HRA EXPENDITURE	23,239,252	20,938,355	(2,300,897)
Rents	(19,460,000)	(19,110,000)	350,000
Service Charges	(962,250)	(981,130)	(18,880)
Other	(627,820)	(803,100)	(175,280)
HRA NET EXPENDITURE	2,189,182	44,125	(2,145,057)
Transfer to / (from) HRA Working Balance	(2,189,182)	(44,125)	2,145,057
TOTAL NET HRA BUDGET	0	0	0

This page is intentionally left blank

MEDIUM TERM REVENUE PLAN - HOUSING REVENUE ACCOUNT (2015/16 - 2019/20)

	2015/16 £'000	2016/17 £'000	2017/18 £'000	2018/19 £'000	2019/20 £'000
Resources					
Rents	19,460	19,110	19,110	18,919	18,730
1% Rent reduction			- 191	- 189	- 187
Service Charges	962	981	1,010	1,041	1,072
Other	649	805	902	917	933
Likely resources	21,071	20,896	20,831	20,687	20,548
Expenditure					
HRA expenditure base budget	10,396	11,238	11,216	11,554	11,940
Non-recurring - Resolve Damp Ingress contract costs	1,450	-	-	-	-
Inflation	-	442	350	347	357
Supplementary budgets	770	50	-	-	-
Depreciation / amortisation	2,551	2,657	2,657	2,657	2,657
Revenue Contribution to Capital Outlay	5,772	4,689	6,497	4,496	2,500
Net interest	1,916	1,914	1,914	1,914	1,914
	22,855	20,990	22,634	20,968	19,368
Other Funding					
Contribution to / (from) HRA Working Balance	(1,784)	(94)	(1,803)	(281)	1,179
Total Net budget	-	-	-	-	-
Opening HRA Working Balance	7,737	5,953	5,858	4,055	3,774
Closing HRA Working Balance	5,953	5,858	4,055	3,774	4,953

This page is intentionally left blank

GENERAL FUND AVAILABLE RESOURCES

GENERAL FUND	2015-16 £	2016-17 £	2017-18 £	2018-19 £	Future Years £	TOTAL £
CAPITAL RESOURCES AVAILABLE						
Usable Receipts Brought Forward						0
GF Capital Receipts	1,030,882		2,250,000			3,280,882
Revenue Contributions to Capital Outlay	60,000					60,000
Disabled Facility Grant	379,076	379,000	379,000	379,000	379,000	1,895,076
New Homes Bonus	1,975,754	1,400,000	500,000			3,875,754
Community Infrastructure Levy				500,000		500,000
Other - Grants/External Funding/Reserves/S106	225,284	26,430				251,714
Total Resources Available	3,670,996	1,805,430	3,129,000	879,000	379,000	9,863,426
GENERAL FUND CAPITAL PROGRAMME						
Capital Programme	9,842,900	5,272,160	9,053,030	6,019,330	989,330	31,176,750
Total General Fund	9,842,900	5,272,160	9,053,030	6,019,330	989,330	31,176,750

UNCOMMITTED CAPITAL RESOURCES:						
Capital Receipts Brought Forward	0	0	0	0	0	0
Resources in Year	3,670,996	1,805,430	3,129,000	879,000	379,000	9,863,426
Less Estimated Spend in Year	(9,842,900)	(5,272,160)	(9,053,030)	(6,019,330)	(989,330)	(31,176,750)
Borrowing Requirement	6,171,904	3,466,730	5,924,030	5,140,330	610,330	21,313,324
Uncommitted Capital Receipts	0	0	0	0	0	0

This page is intentionally left blank

HRA AVAILABLE RESOURCES

HOUSING REVENUE ACCOUNT	2015-16 £	2016-17 £	2017-18 £	2018-19 £	2019-20 £	TOTAL £
CAPITAL RESOURCES AVAILABLE						
Usable Receipts Brought Forward						945,482
Major Repairs Reserve Brought Forward						5,192,878
Other HRA Sales	0	0	0	0	0	0
RTB sales	1,500,000	750,000	500,000	500,000	500,000	3,750,000
Major Repairs Reserve	2,550,566	2,656,950	2,656,950	2,656,950	2,656,950	13,178,366
Revenue Contributions to Capital	5,771,928	4,689,075	6,496,642	4,496,555	2,500,000	23,954,200
External contributions	55,545	0	0	0	0	55,545
HCA funding	0	700,000	700,000	0	0	1,400,000
Commuted sums	413,981	3,701,906	2,129,129	148,110	6,874	6,400,000
Total Resources available	10,292,020	12,497,931	12,482,721	7,801,615	5,663,824	54,876,471
CAPITAL PROGRAMME						
HRA Capital Programme	10,791,689	16,117,602	15,881,897	7,886,187	5,369,095	56,046,470
September - Overspends / (Savings)	(46,000)					(46,000)
September - Slippage	(1,418,728)					(1,418,728)
Total Housing Revenue Account	9,326,961	16,117,602	15,881,897	7,886,187	5,369,095	54,581,742
UNCOMMITTED CAPITAL RESOURCES:						
Usable Receipts Brought Forward	945,482	1,860,471	2,110,471	0	0	945,482
Major Repairs Reserve Brought Forward	5,192,878	5,242,948	1,373,277	84,572	0	5,192,878
Resources in Year	10,292,020	12,497,931	12,482,721	7,801,615	5,663,824	48,738,111
Less Estimated Spend	(9,326,961)	(16,117,602)	(15,881,897)	(7,886,187)	(5,369,095)	(54,581,742)
Uncommitted Capital Resources	7,103,419	3,483,748	84,572	0	294,729	294,729
WORKING BALANCE RESOURCES:						
Balance Brought Forward	7,736,532	5,952,596	5,858,471	4,055,109	3,774,532	7,736,532
HRA Balance Transfer - Surplus/(Deficit)	(2,959,182)	(44,125)	(1,803,362)	(280,577)	1,178,563	(3,908,683)
June forecast revenue savings	625,391	(50,000)				575,391
September forecast revenue savings	549,855					549,855
Balance Carried Forward	5,952,596	5,858,471	4,055,109	3,774,532	4,953,095	4,953,095
Balance Resolved to be Retained	(4,000,000)	(4,000,000)	(4,000,000)	(3,774,532)	(4,000,000)	(4,000,000)
	1,952,596	1,858,471	55,109	0	953,095	953,095
TOTAL AVAILABLE CAPITAL RESOURCES	9,056,015	5,342,219	139,681	0	1,247,824	1,247,824

This page is intentionally left blank

GENERAL FUND - CAPITAL PROGRAMME 2016/17 AND FUTURE YEARS					
SCHEMES LISTED WITHIN COUNCIL PURPOSES	2016/17	2017/18	2018/19	Future	What the scheme is trying to achieve
	£	£	£	Years	
				£	
COMMUNITY					
KEEP PLACE LOOKING GOOD					
Topsham Recreation Ground	3,530				This is the residual budget remaining as the main scheme has been completed.
Sub Total - Keep place looking good	3,530	0	0	0	
KEEP ME/MY ENVIRONMENT SAFE & HEALTHY					
Heavitree Church Retaining Wall	# 55,000				To rebuild the retaining wall which is currently showing signs of weakness causing the headstones to lean outwards.
Northernhay Driveway	# 60,000				To renew foundations to vehicle traffic routes.
Vehicle Replacement Programme	550,000	400,000	400,000	400,000	To ensure that the Council's vehicles are replaced so that a safe and reliable fleet is maintained.
Sub Total - Keep me/my environment safe & healthy	665,000	400,000	400,000	400,000	
HELP ME FIND SOMEWHERE TO LIVE					
Disabled Facilities Grants	379,000	379,000	379,000	379,000	To meet the legal duty to pay grants to enable disabled people to remain in their homes.
Sub Total - Help me find somewhere to live	379,000	379,000	379,000	379,000	
COMMUNITY TOTAL	1,047,530	779,000	779,000	779,000	

GENERAL FUND - CAPITAL PROGRAMME 2016/17 AND FUTURE YEARS					
SCHEMES LISTED WITHIN COUNCIL PURPOSES	2016/17	2017/18	2018/19	Future	What the scheme is trying to achieve
	£	£	£	Years	
				£	
ECONOMY					
KEEP PLACE LOOKING GOOD					
Northbrook Flood Alleviation Scheme	498,130				To provide match funding for the project proposed by the Environment Agency. Will only go ahead subject to match funding being available.
Sub Total - Keep place looking good	498,130	0	0	0	
PROVIDE GREAT THINGS FOR ME TO SEE & DO					
Sports Facilities Refurbishment	56,430	56,430	56,430	56,430	To undertake replacement of plant and equipment within the leisure management contract.
Sub Total - Provide great things to see & do	56,430	56,430	56,430	56,430	
MAINTAIN THE ASSETS OF OUR CITY					
RAMM Roof	# 68,500				To undertake essential works to mitigate Health and Safety risks identified in relation to RAMM roof access.
Sub Total - Maintain the assets of our city	68,500	0	0	0	
DELIVER GOOD DEVELOPMENT					
Heavitree Environmental Improvements	22,880				S106 funding to provide enhancements to the area.
Leisure Complex - Build Project	1,400,000	8,000,000	5,000,000		To develop a new leisure complex and swimming pool on part of the bus station site to replace Pyramids.
Sub Total - Deliver good development	1,422,880	8,000,000	5,000,000	0	

GENERAL FUND - CAPITAL PROGRAMME 2016/17 AND FUTURE YEARS						
SCHEMES LISTED WITHIN COUNCIL PURPOSES		2016/17	2017/18	2018/19	Future	What the scheme is trying to achieve
		£	£	£	Years	
					£	
KEEP ME/MY ENVIRONMENT SAFE & HEALTHY						
Guildhall, John Lewis & Mary Arches MSCP Fire Alarms	#	90,000				To replace the current fire alarms as a result of fire risk assessment findings.
Car Park Surfacing - Haven Road	#	30,000				To resurface damaged surfaces within the car park to mitigate health and safety risks and to provide 40 additional income generating spaces for part of the year in the area adjacent to the basin.
Replace Lifts at Mary Arches MSCP	#	100,000				To improve reliability and increase accessibility to users of the car park.
Budlake Road Resurfacing	#	50,000				To resurface the heavily potholed road but only if agreement is obtained prior to works that the road will be adopted on completion.
Farmers Market Electricity Supply	#	20,000				To install a permanent electricity supply to be used for Exeter Farmers' Market and any other markets located at the junction of Fore Street and South Street.
Sub Total - Keep me/my environment safe & healthy		290,000	0	0	0	
ECONOMY TOTAL		2,335,940	8,056,430	5,056,430	56,430	

GENERAL FUND - CAPITAL PROGRAMME 2016/17 AND FUTURE YEARS					
SCHEMES LISTED WITHIN COUNCIL PURPOSES	2016/17	2017/18	2018/19	Future	What the scheme is trying to achieve
	£	£	£	Years	
				£	
RESOURCES					
WELL RUN COUNCIL					
Annual Contribution to STRATA	53,900	53,900	53,900	53,900	
Idox System for Planning	# 18,700	18,700			Contribution to Strata led projects
HR System	# 67,130				
Convergence Projects	# 142,960				
eFinancials - Version 5	# 50,000				To upgrade ECC's financial system to the latest version in order to remain supported.
Guildhall Wi-Fi	# 17,000				To install a fibre connection from the Civic Centre to the Guildhall to improve wi-fi access.
Customer Contact Platform	60,000	45,000	30,000		To ensure that services are available online and to allow customers to transact with the Council without having to telephone or visit.
Invest to Save Opportunities	100,000				To allow services to invest in assets that will provide an on-going revenue saving.
Civic Centre Replacement Doors	# 15,000				To replace the failing access controlled doors at the Southernhay staff entrance and at the rear of Phase 1 to improve security and ensure emergency access is maintained at all times.
Energy Saving Projects	1,264,000				The core aim for all projects is to reduce risk to the Council from the rapidly changing energy markets. The projects will address security of supply, mitigate the impact of inevitable increased energy costs, and bring income to the council.
Capitalised Staff Costs	100,000	100,000	100,000	100,000	To provide for the cost of certain Council employees, which will be directly involved in the construction or acquisition of assets and qualify as capital expenditure, including engineers and surveyors.
Sub Total - Well run council	1,888,690	217,600	183,900	153,900	
RESOURCES TOTAL	1,888,690	217,600	183,900	153,900	
TOTAL CAPITAL PROGRAMME					
	5,272,160	9,053,030	6,019,330	989,330	
New Bids #	784,290	18,700	0	0	
Pre-Approved	4,487,870	9,034,330	6,019,330	989,330	

GENERAL FUND - CAPITAL PROGRAMME 2016/17 AND FUTURE YEARS					
SCHEMES LISTED WITHIN COUNCIL PURPOSES	2016/17 £	2017/18 £	2018/19 £	Future Years £	What the scheme is trying to achieve
TOTAL CAPITAL PROGRAMME	5,272,160	9,053,030	6,019,330	989,330	

This page is intentionally left blank

HOUSING - CAPITAL PROGRAMME 2016/17 AND FUTURE YEARS

	SCHEMES	2015-16 B/FWD £	2016-17 £	2016-17 Total £	2017-18 £	2018-19 £	2019-20 £	Total £
	INVESTMENT IN EXISTING STOCK							
1	Adaptations		450,000	450,000	450,000	450,000	450,000	1,800,000
2	Bathroom Replacements		284,400	284,400	363,400	367,400	371,400	1,386,600
3	Boiler Replacement Programme		126,000	126,000	357,000	364,000	371,000	1,218,000
4	Central Heating		50,000	50,000	167,535	170,885	174,303	562,723
5	Common Area Footpath & Wall Improvements		1,980,000	1,980,000	500,000	250,000	250,000	2,980,000
6	Communal Area Improvements - New Flooring		-	0	110,160	112,363	114,610	337,133
7	Communal Door and Screen Replacements		-	0	301,869	342,368	130,380	774,617
8	Electrical Central Heating		18,750	18,750	19,125	19,507	19,897	77,279
9	Electrical Rewires		1,522,775	1,522,775	888,000	976,320	926,966	4,314,061
10	Estate Improvements		30,000	30,000	40,000	40,000	40,000	150,000
11	Flat Entrance Fire Door Replacements		250,000	250,000	250,000	-	-	500,000
12	Fire Alarm Replacement - Russet House		30,000	30,000	-	-	-	30,000
13	Fire Risk Assessment Works		60,000	60,000	409,000	-	-	469,000
14	Kitchen Replacements		331,200	331,200	452,200	458,200	464,200	1,705,800
15	LAINGS Refurbishments	503,200	608,810	1,112,010	1,602,437	69,206	-	2,783,653
16	Loft and Cavity Insulation		75,000	75,000	25,000	25,000	25,000	150,000
17	New Water Mains at Whipton Barton House		50,000	50,000	-	-	-	50,000
18	Other Works		-	0	50,000	-	-	50,000
19	Reroofing - Flats		106,500	106,500	410,000	410,000	410,000	1,336,500
20	Reroofing - Houses		30,000	30,000	780,300	795,906	811,824	2,418,030
21	Re-roofing Replacement Works - Shilhay		660,000	660,000	-	-	-	660,000
22	Rennes House Structural Works	450,000	50,000	500,000	1,400,000	2,100,000	-	4,000,000
23	Soil Vent Pipe Replacement		25,000	25,000	25,500	26,000	26,500	103,000
24	Structural Repairs		55,000	55,000	-	-	-	55,000
25	Window Replacements		-	0	746,002	760,922	776,141	2,283,065
	Sub total - Investment in Existing Stock			7,746,635	9,347,528	7,738,077	5,362,221	30,194,461
	INFORMATION TECHNOLOGY							
26	Replacement Housing Management System		125,000	125,000	125,000	-	-	250,000
	PROVISION OF NEW COUNCIL HOMES							
27	Social Housing Acquisitions - Section 106	173,000	77,000	250,000	690,000	-	-	940,000
28	Social Housing Acquisitions - Open Market		1,000,000	1,000,000	-	-	-	1,000,000
29	COB Wave 2 - Rennes House Car Park	1,221,306	1,372,755	2,594,061	190,240	-	-	2,784,301
30	St Loyes Extracare Scheme	1,462,392	2,939,514	4,401,906	5,529,129	148,110	6,874	10,086,019
	Sub total - Investment in the Provision of New Homes			8,245,967	6,409,369	148,110	6,874	14,810,320
	Total HRA Capital Programme	3,809,898	12,307,704	16,117,602	15,881,897	7,886,187	5,369,095	45,254,781

This page is intentionally left blank

REPORT TO Executive Committee: Council
Date of Meeting: 9 February 2015 : 23 February 2015
Report of: Assistant Director Public Realm
Title: Adoption of Powers to Make Harbour Directions

Is this a Key Decision?

No

Is this an Executive or Council Function?

Council.

1. What is the report about?

1.1 Enabling the City Council as the Harbour Authority to adopt new powers under the Harbours Act 1964 to make Harbour Directions.

2. Recommendations:

2.1 The Executive recommends to Full Council that:

2.1.1 It agrees to an application being made to the Department for Transport for Exeter City Council as harbour authority to be designated with power to issue harbour directions in accordance with the provisions of the Harbours Act 1964.

2.1.2 In the event that the application for designation is successful, the Service Manager (Business & Commercial Operations) is authorised to make Harbour Directions on behalf of the Harbour Authority within the Port of Exeter

3. Reasons for the recommendation:

3.1 To enable the better management of the Port of Exeter and to assist in the Council's compliance with the Port Marine Safety Code.

4. What are the resource implications including non financial resources.

4.1 The process demands a pre-application consultation which will require limited resources.

5. Section 151 Officer comments:

5.1 There are no financial implications contained within this report.

6. What are the legal aspects?

6.1 The City Council as Harbour Authority has limited powers to make harbour directions. The existing powers under the Dangerous Vessels Act 1985 and section 252 of the Merchant Shipping Act 1995 provide powers which are limited to directions concerning dangerous vessels and wrecks, particularly concerning the prohibition of vessels entering the harbour and their removal and/or destruction. The Council does not possess wider powers to make harbour directions.

The Council may apply to the Department for Transport to be designated with the power to issue harbour directions in accordance with the new provisions inserted into the Harbours Act 1964.

6.2 In the event that the Council is successful in its application for a Designation Order, then the Council as Harbour Authority will be enabled to formulate and issue harbour directions and apply them in the context of management of the Port of Exeter.

6.3 Failure to comply with harbour directions is a criminal offence punishable on summary conviction in the Magistrates' Court by way of a fine not exceeding level 4 (currently £2,500).

6.4

7. Monitoring Officer's comments:

7.1 Securing designation with the power to make harbour directions is an important step in order to support more robust management of the Port of Exeter. The power in itself is limited to the power to give directions to vessels used in navigation.

7.2 The Council will need to consider more comprehensive powers of management through a Harbour Revision Order or a Harbour Enabling Order as a matter of priority in order to secure more extensive management powers.

8. Report details:

8.1 Following consultation by the Department for Transport in July 2015, Harbour Authorities are invited to make applications to adopt powers under section 40A-40D of the Harbours Act 1964.

8.2 Powers of Direction enable the Harbour Authority to issue general and specific instructions to the Masters of 'ships' regarding "movement, mooring, equipment and manning" within the Port. Prior notice of Directions shall include consultation with representative of users of the Port. The expression "ship" refers to vessels engaged in navigation and would not (necessarily) apply to personal watercraft or small boats

8.3 The powers would, for example enable the Council to restrict vessels from mooring within the navigation channel of the estuary, enforce the Collision Regulations and prohibit the discharge of oil, sewerage and waste into the estuary. The ability to issue more extensive harbour directions will aid the Council as harbour authority in the delivery of its responsibility under the Port Marine Safety Code.

8.4 The Port Marine Safety Code recommends that "Harbour authorities would be well advised to secure powers of general direction..." Powers under this proposal are not as stringent as those that apply for General Directions but are designed to be easier to adopt and are a significant improvement upon the Council's current position.

8.5 The timetable from implementation is as follows and an expression of interest was registered before the due date:.

Deadline for expressions of interest 31 January 2016

Deadline for formal applications 31 March 2016

Review of applications received and draft of Designation Order April/ July 2016

*Analysis of responses received and preparation
of Summary of Responses*

September 2016

Making of Designation Order

February 2017

Order coming into force

6 April 2017

9 How does the decision contribute to the Council's Corporate Plan?

- 9.1
- The decision demonstrates a well run Council
 - Keeping the environment safe & healthy
 - And contributing to the provision of great things to see and do

10. What risks are there and how can they be reduced?

- 10.1 None have been identified

11. What is the impact of the decision on equality and diversity; health and wellbeing; safeguarding children, young people and vulnerable adults, community safety and the environment?

- 11.1 Adoption of these power enables the Council to regulate the use of the waterway in a safe an efficient manner. It will further encourage a diverse use of the recreational facility.

12. Are there any other options?

- 12.1 The Council could continue not to have these powers but their adoption is not onerous and they will enable us to deliver our responsibilities under the Port Marine Safety Code more easily.

SARAH WARD
Assistant Director Public Realm

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

Background papers used in compiling this report:-

None

Contact for enquires:
Democratic Services (Committees)
Room 2.3
01392 265275

This page is intentionally left blank

REPORT TO Executive & Council

Date of Meeting: 9 February 2016 & 23 February 2016

Report of: Corporate Manager, Democratic & Civic Support

Title: REVIEW OF THE CONSTITUTION

Is this a Key Decision?

No

Is this an Executive or Council Function?

Council

1. What is the report about?

1.1.1 This report sets out the recent work and recommendations of the Review of the Constitution Working Group for consideration by Council.

2. Recommendations:

2.1 Executive recommend to Council to approve:-

- (1) The proposed changes to the Scrutiny Committees and Call-In procedures;
- (2) The proposed changes to the Scheme of Delegation to Officers and deputies;
- (3) Revision of the Committee schedule: and
- (4) The amended version of the Council's Constitution.

Full details of which can be found under paragraph 8 of this report and the attached Appendices.

3. Reasons for the recommendation:

3.1 To ensure that the Constitution:-

- Is brought up to date
- Remains a robust document which is fit for purpose
- Continues to match the operational arrangements of the Council.

4. What are the resource implications including non financial resources.

4.1 None

5. Section 151 Officer comments:

5.1 There are no financial implications contained in this report.

6. What are the legal aspects?

6.1 Please see 7. below.

7. Monitoring Officer's comments:

7.1 Article 11 – 11.03(9) of the Council’s Constitution makes clear that the Monitoring Officer must maintain an up to date version of the constitution and this report ensures that the Council’s Constitution is updated as required by law.

8. Report details:

8.1 The purpose of the Constitution is to set out how the Council conducts its business, how decisions are made and the procedures that are followed to ensure that these decisions are effective, efficient and transparent, so that the Council remains accountable to local people. Some of these procedures are required by law while others are a matter for the Council to determine. The Council will exercise all its powers and duties in accordance with the law and its approved Constitution.

8.2 Extraordinary Council on 4 June 2015 (under Minute no.6 resolved as recommended by Executive on 3 June 2016) that the Corporate Manager Democratic and Civic Support and the Democratic Services Manager (Committees) review the Council’s Constitution and Standing Orders to ensure that they remain fit for purpose.

8.3 A Cross Party Working Group was subsequently established to review the constitution and it met on 23 September and 4 November 2015.

During discussions the Working Group considered the following issues:-

- Dates of meetings within the cycle and in particular meetings of the Executive;
- The start times of Committee meetings;
- Responsibilities and Terms of Reference of Scrutiny Committees;
- Alignment of Scrutiny Committees with Portfolio Holders;
- Number of members on Scrutiny Committees
- Call-in procedures
- The number and length of presentations at Scrutiny Committees
- Possibility of Mandatory training for Planning and Licensing Committee Members
- Mandatory training on the Code of Conduct.
- The reduction in size of the Council (from 40 to 39) with effect from May 2016.

8.4 All Members were consulted on the start times of Committee meetings and the number of presentations at committees. The consensus was that that Committee meeting start time should remain as the status quo and that there should be a limit to one presentation per Scrutiny Committee as far as possible.

8.5 The substantive updates by way of content are outlined below:-

- Executive to meet every second Tuesday of the month (bank holidays allowing) and to continue to comprise of 8 members. This will allow for a more regular and evenly spread cycle of Executive meetings, thereby minimising delays in decision making;
- Three Scrutiny Committees to continue albeit with different responsibilities which are better aligned to the responsibilities of the Portfolio Holders;
- Each of the Scrutiny Committees to comprise of 10 members, with their meetings held on the first, second and fourth Thursdays of every other month;
- New Terms of Reference for each of these Scrutiny Committees (details as per appendix);

- Revised call in arrangements where any seven Scrutiny members (irrespective of the Scrutiny Committee on which they serve) could trigger a call-in of an Executive decision (this is a change from the current arrangement of any 5 members of a specific Scrutiny Committee being the trigger-factor).

8.6 Therefore as a result of the change in numbers to the Scrutiny Committees, it is suggested that the size of the Politically Balanced Committees with effect from May 2016 will be:-

Politically Balanced Committees	Size
Planning	13
Licensing	14
Audit and Governance	11
People Scrutiny Committee	10
Place Scrutiny Committee	10
Corporate Services Scrutiny Committee	10
Total	68

8.7 The Committee is reminded that minor adjustments to the size of these Committees so as to ensure that the proportional representation requirements are met, is delegated to the Corporate Manager, Democratic & Civic Support (in consultations with the Leaders of the Political Groups)

8.8 Other amendments to reflect statutory compliance and operational practice have been made which include the updating of officers delegated powers and their nominated deputies.

8.9 The Working Group discussed mandatory training for Planning and Licensing Committee Members and on the Members' Code of Conduct, whilst recognising that there was no statutory authority to force members to attend training on these issues. The Working Group emphasised the importance of this training, it agreed that the Democratic Services (Committees) team would regularly advise the Group Leaders of the attendance figures on all training and development so that they could ensure good attendance. This information would also continue to be presented to the Councillor Development Steering Group.

8.10 The Working Group recommends the proposed changes for approval by Council. Once approved, the master version (which is stored electronically on the council's website), will be updated in readiness for operation with effect from the 2016 Annual General Meeting.

9. How does the decision contribute to the Council's Corporate Plan?

9.1 It ensures that the Council is working as efficiently as possible.

10. What risks are there and how can they be reduced?

10.1 There are no risks associated with the proposals.

11. What is the impact of the decision on equality and diversity; health and wellbeing; safeguarding children, young people and vulnerable adults, community safety and the environment?

11.1 None

12. Are there any other options?

12.1 None that are considered appropriate to ensure the Council continued to operate in an effective and efficient way.

John Street
Corporate Manager, Democratic & Civic Support

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

Contact for enquires:
Democratic Services (Committees)
Room 2.3
01392 265275

Part 1

Summary and Explanation

How the Council operates

The Council is composed of ~~40~~ 39 councillors who serve for four years. One-third of these Members' terms of office expire in each of three years out of four (in the fourth year county councillors are elected). Councillors are democratically accountable to residents of their ward. The overriding duty of councillors is to the whole community, but they have a special duty to their constituents, including those who did not vote for them.

Councillors have to agree to follow a code of conduct to ensure high standards in the way they undertake their duties. The Council's Audit and Governance Committee monitors the code of conduct and is responsible for investigating complaints.

All councillors meet together as the Council. Meetings of the Council are normally open to the public. Here councillors decide the Council's overall policies and set the budget each year. The Council also appoints the Lord Mayor and Deputy Lord Mayor, appoints the Leader and members to the Executive and other committees.

Part 2

Article 1 – The Constitution

1.03 Purpose of the Constitution

The Council, ~~through its Corporate Plan through the Vision 20:20 process (the community plan) and its strategic objectives~~ will pursue its stated goal which is "To enhance Exeter as the regional capital working ~~with our partners and to work in partnership~~ to improve the quality of life for all people living, working and visiting the city."

In pursuing this goal the following core values will be promoted:

- Meet customers' needs with high-quality services
- Be flexible and have can-do approach
- Show trust and respect
- Tell people what is going on, listen and respond to their views
- Be proud to work for the city and the council

A principal objective of the Council is to promote equality of opportunity and social inclusion and the Council has agreed the following policy statement:

"The City Council is committed, both as an employer and as a deliverer of services, to ensuring that no recipient of services provided by the Council receives less favourable treatment on any grounds such as disability, ethnic origin, age, gender, sexuality, language, religion, political or other opinion, national or social origin, association with a national minority, locality, property, birth or other status".

This constitution supports these aims and objectives and explains the mechanisms and processes that the Council operates to ensure that:

- councillors are able to play a significant role in the work of the Council and represent their constituents
- decisions are taken in as open and transparent way as possible
- the view of residents and stakeholders are recognised as important influences on the way the Council operates and decisions are taken
- accountability is enhanced

Article 2 – Members of The Council

2.01 Composition and eligibility

- (a) **Composition.** The Council comprises ~~40~~ 39 elected members, called councillors, who are elected to represent their ward. There are ~~18-13~~ wards in Exeter, ~~who elect three councillors to sit on the Council. most elect two councillors to sit on the Council although four wards, with a larger number of electors, elect three councillors.~~
- (b) **Eligibility.** Only registered voters of the City or those living or working here are eligible to hold the office of councillor.

2.02 Election and terms of councillors

Election and terms. The ordinary election of a third ~~(or as near as may be)~~ of all councillors will be held on the first Thursday in May in each year beginning in ~~2000~~ 2018, except that in ~~2004~~ 2017 and every fourth year after there will be no regular election.

The terms of office of councillors will be four years starting on the fourth day, ~~except in 2016~~, after being elected and finishing on the fourth day after the date of the regular election four years later.

In 2016, the term of office of councillors will depend on the number of votes each elected Councillor received in the Mayor 2016 elections. The highest polled candidate will have a four year term of office (i.e. until May 2020), in second highest polled candidate will have a three year term of office (i.e. until Mayor 2019), with the third highest polled candidate having a two year term of office (i.e. until May 2018).

A Councillor may at any time resign their position by giving notice in writing to the Returning Officer (the Corporate Manager Democratic and Civic Support), who is the proper officer for that purpose and the resignation will be effective upon its receipt.

Article 4 – The Full Council

4.01 Meanings

(a) **Policy Framework.** The policy framework is made up of a series of statutory plans and strategies as follows:

- Corporate Plan
- ~~Sustainable Community Strategy (Exeter Vision)~~
- Development Plan Documents forming the Local Development Framework
- Food Law Enforcement Service Plan;
- Climate Change Strategy;
- Contaminated Land Strategy;
- Annual Budget Strategy;
- Asset Management Plan
- Health and Safety Service Plan
- Housing Strategy (including Private Sector Housing Renewal Policy)
- ~~Anti-Social Behaviour Policy~~
- ~~Homelessness Strategy~~
- Community Safety Strategy
- Recycling Plan
- Licensing Policy Statement

- Gambling Policy Statement

Other overarching corporate plans and strategies may become part of the policy framework as the need arises.

- (b) **Budget.** The budget includes the allocation of financial resources to different services and projects, proposed contingency funds, the council tax base, setting the council tax and decisions relating to the control of the Council's borrowing requirement, the control of its capital expenditure and the setting of virement limits.

Article 6 –Scrutiny Committees

6.01 Terms of reference

The Council will appoint three scrutiny committees one covering each of the following areas '~~Resources~~', '~~Community~~' and '~~Economy~~' '~~Corporate Services~~', '~~People~~' and '~~Place~~' to discharge the functions conferred by section 21 of the Local Government Act 2000 or regulations under section 32 of the Local Government Act 2000

See Part 4 (Rules of Procedure) for terms of reference.

Article 7 – The Executive

7.08 Responsibility for functions

The Leader will:

- (a) state the size of the Executive (**maximum 10 members**);
- (b) identify which individual Executive members and/or officers are to be responsible for the exercise of a particular Executive function; and
- (c) where the Leader identifies individual delegations to Executive members, then he must give written notice of such delegation to the Chief Executive & Growth Director who shall maintain and keep up to date a list of such delegation.

Article 8 – Regulatory and other committees

8.01 Regulatory and other committees

The Council will appoint a Planning Committee, Licensing Committee, Audit and Governance Committee and Major Grants ~~and New Homes Bonus~~ Panel. The terms of reference for these and committees, other than Scrutiny Committees are set out in Part 3 of the Constitution.

The Planning Committee shall appoint a Planning Member Working Group which will normally meet in private.

Article 10 - Joint Arrangements

10.01 Arrangements to promote well being

The Council or the Executive, in order to promote the economic, social or environmental well-being of the City, may:

- (a) enter into arrangements or agreements with any person or body;
- (b) co-operate with, or facilitate or co-ordinate the activities of, any person or body;
- (c) exercise on behalf of that person or body any functions of that person or body; and
- (d) details of any joint arrangements including any delegations to joint committees, **Strata Joint Executive Committee, Strata Joint Scrutiny Committee and the Joint Mitigation Committee** will be found in the Council's scheme of delegations in Part 3 of this Constitution.

Article 11 – Officers

11.01 Management structure

- (a) **General.** The full Council may engage such employees (referred to as officers) as it considers necessary to carry out its functions.
- (b) **Chief Officers.** The full Council will engage persons for the following posts, who will be designated chief officers:

Post	Functions and areas of responsibility
Chief Executive & Growth Director (and Head of Paid Service)	Overall corporate management and operational responsibility (including overall management responsibility for all officers) Provision of professional advice to all parties in the decision making process. Together with the monitoring officer, responsibility for a system of record keeping for all the Council's decisions. Representing the Council on partnership and external bodies (as required by statute or the Council).
Deputy Chief Executive, Assistant Directors and Corporate Managers	To develop and implement the Vision, Core Values and Corporate Strategy of Exeter City Council through working with members, staff, customers and external partners and to ensure that the Council operates in an innovative, progressive, customer-driven and externally-focussed way in providing cost effective, high quality outcomes in all areas of service.

- (c) **Head of Paid Service, Monitoring Officer and Chief Finance Officer.**
The Council will designate the following posts as shown:

Post	Designation
Chief Executive & Growth Director	Head of Paid Service
Corporate Manager Legal Services	Monitoring Officer
Assistant Director Finance	Chief Finance Officer

Such posts will have the functions described in Article 11.02–11.04 below.

- (d) **Structure.** The Head of Paid Service will determine and publicise a description of the overall departmental structure of the Council showing the management structure and deployment of officers. This is set out at Part 7 of this Constitution.

Article 12 – Decision Making

12.09 Decision making by Officers

All decisions made by officers shall be in accordance with the principles and requirements of this constitution. Any key decisions and any decisions made in consultation with the portfolio holder will be recorded and held for inspection by councillors on application to the Democratic Services Manager or the Human Resources ~~Business Manager~~ Transactional Services Manager as appropriate.

Article 15 – Suspension, Interpretation and Publication of the Constitution

15.03 Publication

~~The Corporate Manager Democratic/Civic Support will give a copy of this Constitution to each member of the authority (including by electronic means) upon delivery to him/her of that individual's declaration of acceptance of office on the member first being elected to the Council.~~

- (a) ~~The Council's constitution will be made available to all members of the authority by electronic means unless a request is received in writing by the Corporate Manager, Democratic and Civic Support, for a hard copy of the constitution. On receipt of such a request, a copy will be given to the requesting member.~~
- (b) The Corporate Manager Democratic/Civic Support will ensure that the up to date version of the Constitution is available on the Council's website and can be purchased by members of the local press and the public on payment of a reasonable fee.

Part 3 Responsibility for Functions

1. RESPONSIBILITY FOR LOCAL CHOICE FUNCTIONS

References to consultation with Human Resources means the officer or officers so designated by the ~~Assistant Director Business Transformation Transactional Services Manager.~~

3. RESPONSIBILITY FOR EXECUTIVE FUNCTIONS

Function	Who is Responsible	Delegation
3.22 Within agreed budgetary limits, to consider applications and recommend to the Executive payment of appropriate Major Grants and grants from the New Homes Bonus Local Infrastructure Fund, and to recommend appropriate	Major Grants and New Homes Bonus Panel	None

conditions to which grants should be subject. Grants must be consistent with the key actions in the corporate plan which relate to applications from community, housing, environmental, arts and cultural and sporting organisations.		
3.23 To monitor the grants given, ensure that conditions of funding are met, oversee service level agreements and evaluate the outcome in accordance with the agreed criteria for those purposes.	Major Grants and New Homes Bonus-Panel	None
3.24 To keep under review the procedures and criteria by which the Major Grants and Local Infrastructure Fund grants are awarded and monitored, and to make recommendations to Executive in that regard.	Major Grants and New Homes Bonus-Panel	None

Executive Portfolios		
	Portfolio	Responsibilities
1.	Leader "A stronger city"	<ul style="list-style-type: none"> ◇ Strategic vision and direction of the council ◇ Greater Exeter ◇ Innovation Exeter and the move to a knowledge economy ◇ Financial strategy ◇ Business transformation ◇ Community engagement

2.	<p>Enabling Services</p> <p>“A well run council”</p> <p>“Maintain our property assets of the city”</p>	<ul style="list-style-type: none"> ◇ Contracts and procurement ◇ Estate management incl. Civic Centre facilities ◇ Asset management and property records ◇ Emergency planning and business continuity ◇ Democratic and civic support incl. Lord Mayoralty and twinning ◇ Legal ◇ Financial services ◇ ICT ◇ Channel shift ◇ Communication and public relations ◇ Equalities
3.	<p>Customer Access</p> <p>“Help me with my Financial problem”</p> <p>“Make it easy for me to pay you”</p> <p>“Providing suitable housing”</p>	<ul style="list-style-type: none"> ◇ One View of Debt (OVOD) - Benefits, council tax, council housing rent payments, business rates payments ◇ Customer service centre ◇ Housing advice and homelessness prevention ◇ Social housing allocations ◇ Private-rented sector support ◇ Supported housing services commissioning ◇ Housing enabling (PSL/Extralet and empty properties) ◇ Downsizing support ensuring housing is fit for purpose ◇ Private sector housing (including landlord support services, HMO licensing, illegal evictions)
4.	<p>Housing Revenue Account</p> <p>“Be a good landlord”</p> <p>“Providing suitable housing”</p>	<ul style="list-style-type: none"> ◇ HRA housing needs analysis and supply of housing ◇ Rent and service charge setting ◇ Landlord services ◇ Leaseholder services ◇ Right to buy ◇ Tenant consultation and engagement
5.	<p>Health and Place</p> <p>“Keep place looking good”</p> <p>“Keep me/my environment safe and healthy”</p>	<ul style="list-style-type: none"> ◇ Environmental health, licensing and health and safety ◇ Health and wellbeing ◇ Cleansing, recycling, refuse and waste ◇ Fleet management ◇ Parks and open spaces ◇ Bereavement services ◇ CCTV and Home Call ◇ Car parking enforcement ◇ Community safety and antisocial behaviour ◇ Engineering, flooding and day-to-day management of waterways

<p>6. Economy and Culture</p> <p>“Provide great things for me to see and do”</p> <p>“Help me run a successful business”</p>	<ul style="list-style-type: none"> ◇ Economic development ◇ Exeter BID (city centre strategy) ◇ Tourism ◇ Markets and halls ◇ Arts strategy and funding support ◇ Culture/events ◇ RAMM ◇ Leisure contract and sport ◇ Strategy and policy for waterways and parking
<p>7. City Development</p> <p>“Deliver good development”</p>	<ul style="list-style-type: none"> ◇ Green infrastructure (including carbon management and district heating) ◇ Planning policy and planning control ◇ Strategic housing policy and building new housing (non-HRA) ◇ Sustainable development and transport ◇ Building control and land charges ◇ Design and heritage ◇ Community Infrastructure Levy ◇ Neighbourhood planning

Alignment to Committees

People Scrutiny Committee

Portfolio Holder for Customer Access
 Portfolio Holder for Housing Revenue Account

Place Scrutiny Committee

Portfolio Holder for Health and Place
 Portfolio Holder for City Development
 Portfolio Holder for Economy and Culture

Corporate Services Scrutiny Committee

Leader
 Portfolio Holder for Enabling Services

Member Champions

- ◇ Responsible for driving forward specific, priority issues.
- ◇ Not portfolio holders (they do not receive a special responsibility allowance) but they report

directly to the Leader and have the right to attend any portfolio holder or senior officer meetings.	
Champion for Commercialisation of the Council	This member is responsible for helping to identify ways in which the council can generate income. Provides officers with a single person they can go to if they have an idea that they would like to explore. This is <u>not</u> about privatising council services.
Champion for Community Engagement	This member supports the Leader of the Council, finding ways to improve our community engagement as a council, with a particular focus on exploring ways that communities can help to design and deliver services. With the coming cuts from Government it is inevitable that we will have to do this, and we need to be well prepared for it. This member supports the leader in preparing for Community Rights in Exeter, on major grants, New Homes Bonus, and community grants incl. Community infrastructure Levy (CIL) allocation to communities.
Champion for Sport and Physical Activity	This member is responsible for taking forward the council's promotion and development of sport and activity across the city and working towards the aim of Exeter being the most active city in the South West by 2018.
Member Champion (Council's Armed Forces Champion)	<ul style="list-style-type: none"> ◇ to ensure that military involvement is embedded at the highest levels within the Council. ◇

Terms of Reference (Excluding Scrutiny Committees)

EXECUTIVE COMMITTEE

1. To exercise overall control and allocation of the financial, property, information and staffing resources within the policies and budget agreed by the Council and ensure they make the most effective contribution to the achievement of the Council's objectives.
2. To consider and report to the Council on the draft annual revenue and capital estimates of all Committees and to recommend the level of Council Tax for

- the ensuing year. To ensure that arrangements are in place to monitor all income and expenditure against budgetary allocations.
3. To consider the setting of new corporate objectives, policies and strategies to achieve the stated aims of the Council.
 4. To provide overall leadership and guidance to the Council in the promotion of its visions for the City's social, economic and environmental well-being and to enhance the status of the City locally, nationally and internationally.
 5. To develop partnerships with the business, voluntary and other appropriate sectors for the furtherance of the Council's objectives.
 6. To keep under review the various strategies of the Council.
 7. To consider the overall requirements of both private and public sectors relating to the provision of adequate housing accommodation to meet the social needs of the City and to secure and encourage the provision, either directly through the Council or in association with other organisations, of suitable accommodation to meet those requirements, in accordance with the Council's housing strategy. To approve rent levels for Council housing.
 8. To refer matters to the appropriate Scrutiny Committee for investigation/review and report back to the Executive Committee.
 9. To consider any matters specifically referred by a Scrutiny Committee.
 - ~~10. To agree the Best Value service review programme and submit to Council the Best Value Performance Plan for approval.~~
 11. To ensure the staffing resources of the Council, through its personnel policies, procedures and practices, contribute effectively to meeting the Council's objectives.
 12. To determine, through a consultative procedure, health and safety policies for the Council.
 13. To ensure appropriate arrangements for the appointment/dismissal of the Chief Executive & Growth Director, Deputy Chief Executive, Assistant Directors and Corporate Managers on JNC chief officer conditions of service.
 14. To establish management and qualitative targets and standards for all Committees against which performance and results can be monitored and reviewed by the appropriate Scrutiny Committee.
 15. To consider policies and implement proposals for the creation and enhancement of conservation areas, in accordance with the Council's strategy for conservation areas and historic buildings.

16. (a) To approve those parts of the Council's Local Development Framework which are not which are not the responsibility of Council, and other development briefs, including:-
 - (i) the approval of draft proposals for public consultation;
 - (ii) the adoption of documents.
- (b) To consider the impact upon the City of elements of the Development Plan which are prepared by Devon County Council, or other local authorities, and liaise with those bodies as appropriate.
17. To determine, in accordance with the Local Government Act 1972: General Disposal Consent (England) 2003, the disposal of land and buildings at less than the best consideration that can reasonably be obtained.
18. To recommend to the Council the local scheme for council tax support for the ensuing year.
19. To appoint representatives to outside bodies and to recommend to the Council all matters affecting the revision of electoral boundaries and the filling of casual vacancies on Committees etc.
20. To make recommendations to the Council as to the making, revision and amendment of the Council's constitution.
21. To exercise all and any of the powers and responsibilities of the Council not otherwise within the terms of reference of any other Committee or requiring urgent action (unless excluded from being undertaken by the Executive).

MAJOR GRANTS ~~AND NEW HOMES BONUS~~ PANEL

1. Within agreed budgetary limits, to consider applications and recommend to the Executive payment of appropriate Major Grants ~~and grants from the New Homes Bonus Local Infrastructure Fund~~, and to recommend appropriate conditions to which grants should be subject. Grants must be consistent with the key actions in the corporate plan which relate to applications from community, housing, environmental, arts and cultural and sporting organisations.
2. To monitor the grants given, ensure that conditions of funding are met, oversee service level agreements and evaluate the outcome in accordance with the agreed criteria for those purposes.
3. To keep under review the procedures and criteria by which the Major Grants and Local Infrastructure Fund grants are awarded and monitored, and to make recommendations to Executive in that regard.

Delegation to Officers

GENERAL

1. The Strategic Management Team (JNC Officers) and all officers with delegated authority must ensure that relevant Executive members are consulted on all matters of a controversial or sensitive nature. Where appropriate, these matters must be referred to the Executive for a decision/guidance.
2. If a delegated decision requires prior consultation with a specific portfolio holder and that person is not available, if the decision cannot wait, the consultation shall be with the Leader or other portfolio holder.
3. Where any decision proposed under delegated powers is likely to involve a departure from Council policy or any instruction of the Council, Committee or Executive, the officer must refer the matter to the Executive for a decision/guidance after consultation with the Assistant Director Finance where a budgetary issue is involved.
4. Where any decision proposed under delegated powers is likely to involve the approved annual estimate being exceeded, or is outside the approved capital programme or AIM process, the officer with delegated authority must refer the matter to the Executive for a decision/guidance.
5. Where reference is made in the scheme of delegation to an exercise of a function under specific legislation, this shall be deemed to include any statutory extension, amendment, modification and re enactment and any Statutory Instrument, rule, order, or bylaw made thereunder, provided that the nature of the function delegated remains the same.
6. All decisions delegated from the Executive and made under delegated authority shall be recorded by each officer with delegated authority in order that the Scrutiny Committees can properly examine any decision reached.
7. The Deputy Chief Executive, Assistant Directors and Corporate Managers are responsible for the day to day management of operational issues. This Scheme of Delegation is intended to supplement the powers, duties and obligations set out in each officer's job description. Without prejudice to the above, the following powers have been specifically delegated to the following officers:-

CHIEF EXECUTIVE & GROWTH DIRECTOR

1. In consultation with the Leader of the Council, (or in his/her absence the relevant Portfolio Holder), and the Chair of the relevant Scrutiny Committee, to authorise any emergency action required, on any matter which shall include incurring of expenditure, including those falling within the jurisdiction of a

Committee, subject to a report then being submitted to the Executive (or relevant Committee).

2. In cases of emergency and in consultation with the Leader of the Council, the power to prohibit public processions under section 13 of the Public Order Act 1986.
3. In consultation with the Leader of the Council, to grant or withhold consent to the Police making the Authorisation pursuant to sections 30 and 31 of the Anti-Social Behaviour Act 2003.
4. To ensure compliance with the Council's Health and Safety Policy throughout the common parts of the Civic Centre.
5. Subject to approved budget and in consultation with the Leader of the Council, Executive member with relevant portfolio to agree redundancies in accordance with the Council's adopted policy and procedure. To prepare a quarterly summary of any such redundancies for information to the Executive, Resources Scrutiny Committee and Audit and Governance Committee.

DEPUTY CHIEF EXECUTIVE, ASSISTANT DIRECTORS AND CORPORATE MANAGERS

1. To be responsible for the effective and efficient day-to-day management of the services for which he/she is responsible in accordance with the Council's agreed priorities and strategic objectives. This shall include authority to sign agreements/contracts in order to fulfil the powers, functions and duties of the service for which the officer is responsible. This power shall only be exercisable where expenditure is included in the approved annual budget, capital programme or AIMs process.
2. To ensure that all policies adopted by the Council, which shall include those relating to its workforce are implemented.
3. In agreement with the Corporate Manager Legal Services, authority to institute legal proceedings under any statute, by law or agreement (which shall include authority to appeal any decision made by a County or Magistrates Court) in the areas for which the Assistant Director/Corporate Manager is responsible.
4. Where appropriate, to defend any proceedings brought against the Council (which shall include the power to defend any appeal lodged against any decision or determination made under delegated authority).
5. To authorise the Assistant Director Environment and Corporate Manager Legal Services to undertake covert surveillance in accordance with the Regulation of Investigatory Powers (Prescription of Offices, Ranks and Positions) Order 2000.

6. To be responsible for ensuring that the Council's Health and Safety Policy is implemented within their own service area and for all buildings and sites for which they are responsible.
7. Where appropriate to discharge any function/s delegated to an officer within their service area in accordance with this Scheme of Delegation.
8. Authority is required for the removal of goods from Assistant Director Customer Access, Assistant Director Finance, Chief Executive or Deputy Chief Executive.
9. To take all necessary action for the economic, efficient and effective day to day management, administration and supervision of his/her service subject to compliance with the Council's policies on the management, employment and remuneration of staff (or in their absence the agreement of the Chief Executive) including but without prejudice to the generality of the foregoing:
 - Authorising the filling of posts within the approved budget (i.e. within the Council's establishment) and in accordance with the Council's employment policies.
 - The taking of any necessary disciplinary action short of dismissal in accordance with the Council's established policy and procedures (this function may also be exercised by other Officers as set out in the relevant employment policy); and to determine, in consultation with the Human Resources Business Manager/Partner, suspension and/or dismissal of an employee.
 - The approval of changes to the establishment structure subject to existing budgetary provision, in consultation with the Leader of The Council, the Executive member with relevant portfolio, and Human Resources Manager/Partner and the approval of the Head of Paid Service.
10. Assistant Directors in consultation with their Portfolio Holders can vary fees and charges throughout the year to take account of market conditions, with the exception of car parking charges and statutory charges set by the Government. Commercially sensitive fees are no longer published

DEPUTY CHIEF EXECUTIVE

1. In consultation with the Leader of the Council, to amend the Managing Organisational Change and Redundancy Policy and Procedure where necessary.

ASSISTANT DIRECTOR CUSTOMER ACCESS

1. To operate and administer the scheme of housing benefit on behalf of the Council, to include residual council tax benefit including taking all decisions or actions required under the provisions of statute and statutory instrument regulating the scheme and the collection and recovery of Housing Benefits Overpayments.
2. To determine applications for assistance from the Discretionary Housing Payment Fund and Exceptional Hardship Fund'
3. To exercise the Council's powers in respect of the administration, collection and recovery of monies owed to the Council in respect of national non-domestic rates and council tax; and the Business Improvement District levy on behalf of the Exeter BID Company.
4. To authorise appropriate officers to appear in the Magistrates Court on behalf of the Council in respect of the recovery of national non-domestic rates and council tax; and the Business Improvement District levy on behalf of the Exeter BID Company.
5. To operate and administer the local scheme for Council Tax support for working age claimants on behalf of the Council, including taking all decisions or actions required under the Council's local policy and to make administrative amendments to the Council's S 13A policy under LGFA 1992.
6. To operate and administer the scheme for Council Tax support for pension age claimants on behalf of the Council, including taking all decisions or actions required under the provisions of statute and statutory instrument regulating the scheme.
7. In accordance with the Council's approved conditions, policies and allocation scheme to:-
 - (a) Accept/refuse applications for housing. This authority shall include the power, in consultation with Executive member with relevant portfolio, to review any decision affecting an applicants right or eligibility for housing assistance and entry onto the Council's Statutory Housing Register.
 - (b) Where appropriate and in consultation with Executive member with relevant portfolio to accept applications outside those conditions and policies.
8. (a) To undertake all the statutory duties imposed by the Housing Act 1996 utilising temporary accommodation, bed and breakfast accommodation, private sector accommodation and making nominations to registered providers as required.
 - (b) In consultation with the Corporate Manager Legal Services and the Assistant Director Finance, to enter into or determine leasing agreements with private landlords to provide accommodation to

homeless households as required to meet the Council's statutory requirements.

9. To arrange for and re-charge as necessary for the removal and storage of personal possessions.
10. In consultation with the Corporate Manager Legal Services, to take legal action to obtain possession of any dwelling occupied by a person accommodated in accordance with the Housing Act 1996 who has refused a reasonable offer of suitable permanent accommodation or who has been declared intentionally homeless.
11. In consultation with the Executive member with relevant portfolio to make any necessary amendment to the housing scheme.
12. To authorise the **service in relation to rent arrears of ~~Service of~~ Notice of Intention to seek Possession (secure tenancies) and Notice to Quit (non-secure tenancies); and Notice of Proceedings for Possession of an Introductory Tenancy (introductory tenancies).**
13. Initiation and conduct of legal proceedings for possession in respect of cases where rent arrears are outstanding. This shall include the power to authorise officers to appear in the County Court to represent Exeter City Council in respect of rent arrears.
14. In consultation with Human Resources, the allocation of accommodation in respect of service tenancies which shall include the power to refuse allocation of accommodation to personnel whose employment has been terminated.
15. To arrange rent deposit guarantees in accordance with the Council's policy in consultation with the Assistant Director Finance.
16. To deal with and determine homelessness reviews in accordance with the Housing Act 1996.
17. In accordance with the Housing Act 1980 and the Council's agreed policy to accept/refuse applications for mortgages, including further advances to administer and monitor payments of mortgage instalments and where necessary issue possession proceedings for mortgage arrears in consultation with the Corporate Manager Legal Services
18. To accept payment of arrears of rent by instalments.
19. Authority to apply for a warrant for Possession of Property **in relation to rent arrears.**
20. Authority to approve financial assistance in the form of relief from Business Rates in respect of Charities/Good Causes and cases of hardship.

21. Power to apply to County Court in respect of Housing Benefit Overpayment Recovery.
22. To grant discretionary and mandatory rate reliefs within the agreed policy of the Council
23. To appoint enforcement agents for the recovery of any outstanding debts.
24. In consultation with Corporate Manager Legal Services, authority to institute legal proceedings where fraudulent activity is suspected in relation to **Housing Benefit**, Council Tax Support, Council Tax and Business Rates.
25. Power to impose penalties under LGFA 1992 for the failure to supply requested information in relation to Council Tax liability, discount and exemption and Council Tax Support
26. In consultation with the Executive member with relevant portfolio and Chief Executive, authority to apply for Charging Orders, Bankruptcy or Committal to Prison.
27. In Consultation with the Executive Member with relevant portfolio, to deal with applications for discretionary rate relief to sports clubs not in receipt of mandatory relief, as registered charities.
28. In consultation with the Executive member with relevant portfolio, to determine in accordance with the Council's agreed policy, applications for discretionary rate relief under sections 47 and 49 of the Local Government and Finance Act 1988.

ASSISTANT DIRECTOR CITY DEVELOPMENT

1. Powers, responsibilities and decisions related to the Council's role as a local Planning Authority and its purpose 'Deliver Good Development' including those related to planning, building control and land charges but excluding: Functions of the Planning Committee, Executive and Council.

The following functions are delegated subject to consultation or agreement with/of other postholders/group.

Function	Consultation or Agreement	With Postholders/Group
<p><u>Applications</u></p> <p>Applications (including TPO confirmations) that Ward Members have requested to be brought to the Delegation Briefing.</p> <p>City Council applications not subject to any objections.</p> <p>Applications that have been subject to objections based on material planning considerations that Officers are minded to approve under delegated powers.</p>	<p>Consultation</p> <p>“</p> <p>“</p>	<p>Delegation Briefing</p> <p>“</p> <p>“</p>
<p><u>Enforcement</u></p> <p>Issue of Enforcement Notice, Stop Notice (inc Temporary), Urgent Works and Repairs Notices and commencement of injunction, prosecution or other formal legal proceedings. Hazardous substance contravention notice.</p>	<p>Agreement</p>	<p>Corporate Manager Legal Services and Portfolio City Development Executive Member with Relevant Portfolio</p>
<p><u>S106 Planning Obligations</u></p> <p>Minor variations of existing s106 agreements, new agreements involving sums of less than £10,000 and those considered</p>	<p>Consultation</p>	<p>Chair of Planning Committee</p>

<p>necessary with regard to planning appeals.</p> <p>Decisions on use of S106 funding where the terms are not prescribed by the agreement.</p>	<p>Agreement</p>	<p>Portfolio City Development</p> <p>Executive Member with Relevant Portfolio</p>
<p><u>Neighbourhood Planning</u></p> <p>Publicity, consideration of representations and decisions in respect of applications for neighbourhood plan areas and forums.</p>	<p>Agreement</p>	<p>Portfolio City Development</p> <p>Executive Member with Relevant Portfolio</p>
<p><u>Local Infrastructure Fund</u></p> <p>Decisions not considered by the Panel</p>	<p>Agreement</p>	<p>Chair of the Major Grants and New Homes Bonus Panel or of any group that replaces it.</p>
<p><u>Assets of Community Value</u></p> <p>Decisions on listing assets</p>	<p>Agreement</p>	<p>Portfolio City Development</p> <p>Executive Member with Relevant Portfolio</p>
<p><u>Community Infrastructure Levy</u></p> <p>Governance arrangements and allocation of funds</p>	<p>To be determined</p>	<p>Arrangements as directed by Executive in due course</p>

ASSISTANT DIRECTOR ENVIRONMENT

1. To carry out functions, duties and responsibilities of the Council in respect of the following matters:
 - drainage
 - pest control

- air and noise pollution
 - properties that are overcrowded, unfit for human habitation or in disrepair
 - abandoned vehicles/waste/refuse
 - control of dogs
 - skin piercing
- (this power shall include authority to take remedial action where necessary).

2. The licensing of:
 - Dog tracks and Guard dogs
 - Dog breeding establishments
 - Dangerous wild animals
 - Pet shops
 - Riding establishments
 - Animal boarding establishments
 - Performing animals
 - Scrap metal dealers
 - Hackney carriages and private hire vehicles
 - Street trading
 - Licensable activities (as permitted under the Licensing Act 2003 and the Gambling Act 2005)

3. To appoint Inspectors and authorise officers to carry out any function, power or duty within the remit of the Assistant Director Environment.

4. Without prejudice to the generality of the above, where appropriate in consultation with the Corporate Manager Legal Services, the Assistant Director Environment is authorised to deal with the provisions of and enforce compliance with the following Acts and associated legislation. This shall include the initiation, defence and settlement of legal proceeding, issuing of formal cautions and fixed penalty fines, service of Notices and Orders, the issue, refusal and revocation of licences, certificates and registrations, carrying out of works in default and payment and recovery of costs:
 - 4.1 Caravan Sites and Control of Development Act 1960
 - 4.2 Caravan Sites Act 1968
 - 4.3 Clean Air Act 1993
 - 4.4 Environmental Protection Act 1990 including authorisation and service of notices pursuant to Section 46.
 - 4.5 Food Safety Act 1990 which shall include service of “minded to notices” introduced by the Deregulation and Contracting Out Act 1994 and any Orders or Regulations or other instruments: (i) made thereunder, or (ii) relating thereto, or (iii) having effect by virtue of the European Communities Act 1972 and relating to food safety.
 - 4.6 Prevention of Damage by Pests Act 1949

- 4.7 Public Health Acts 1936 and 1961 and the Public Health (Control of Disease) Act 1984.
- 4.8 Local Government (Miscellaneous Provisions) Act 1976 requisition for Information in accordance under section 16
- 4.9 Local Government (Miscellaneous Provisions) Act 1976, Transport Acts 1980 and 1985 and the Town Police Clauses Act 1847 – to grant hackney carriage and Private Hire operator, vehicle and driver licences in accordance with the Council's agreed policy.
- 4.10 Road Traffic Act 1991 (Access to Criminal Records)
- 4.11 Zoo Licensing Act 1981
- 4.12 Litter Act 1983
- 4.13 Control of Pollution Act 1974
- 4.14 Animal Boarding Establishments Act 1963
- 4.15 National Assistance Acts 1945 and 1951
- 4.16 Breeding of Dogs Act 1973 and 1991
- 4.17 Riding Establishments Act 1964-1970
- 4.18 Game Act 1831
- 4.19 Game Licences Act 1860
- 4.20 Dangerous Dogs Act 1991
- 4.21 Guard Dogs Act 1975
- 4.22 Dogs Fouling of Land Act 1996, which shall include enforcing the provisions of the Act including the power to authorise officers of the Council to issue fixed penalty notices in respect of failure to remove faeces from designated land.
- 4.23 The Environmental Protection (Stray Dogs) Regulations 1992 which shall include, in cases of exceptional hardship, the power to waive payment of the recoverable fees and expenses levied in respect of dogs seized and detained as strays.
- 4.24 Water Industry Act 1991 and relevant regulations in relation to:
 - (a) functions with regard to the wholesomeness and sufficiency of public and private drinking water supplies
 - (b) entry into premises for the purpose of analysis of samples of water within Exeter City Council's district

- (c) receiving and determining applications for authorisation for relaxation of Part III of the private water supplies regulations and the revocation or modification of such authorisations
- 4.25 Health & Safety at Work etc. Act 1974 and any supporting regulations.
- 4.26 Building Act 1984 – all matters, powers, duties and functions of the Council under the provisions of the following sections:
- Sections 59, 60, 64-66(drainage)
 - Sections 70 (food storage), 72 (means of escape fire), 76 (defective premises), 84 (drainage of yards)
- 4.27 Exeter City Council Act 1987 - the powers, duties and functions of the Council under Part 4 and Sections 21, 22, 23, 24 and 29
- 4.28 Protection from Eviction Act 1977, the Housing Defects Act 1984, the Housing Act 1985, the Housing Act 1988, the Local Government Housing Act 1989 and the Housing Act 2004 – to investigate and take appropriate action under these enactments.
- 4.29 Housing Acts 1985, 1988, 1989, 1996, the Home Energy Conservation Act 1996 and the Housing Grants, Construction and Regeneration Act 1996 – to deal with all matters, powers, functions and duties set out therein.
- 4.30 Noise Act 1996
- 4.31 Noise and Statutory Nuisance Act 1993
- 4.32 Local Government (Miscellaneous Provisions) Act 1976
- 4.33 Local Government (Miscellaneous Provisions) Act 1982 (in accordance with the Council’s agreed policies)
- 4.34 Licensing Act 2003 (to the extent permitted by section 10). In particular to determine:
- applications for Personal Licences, where no police objection is made;
 - applications for Premises Licences/ Club Premises Certificates, where no relevant representations have been made;
 - applications for provisional statements, where no relevant representations have been made;
 - applications to vary Premises Licences/ Club Premises Certificates, where no relevant representations have been made;

- applications to vary designated Premises Supervisor, where no police objection has been made;
- requests to be removed as designated Premises Supervisor;
- applications for transfer of Premises Licences where no police objection has been made;
- applications for interim authorities where no police objection has been made;
- decisions on whether a complaint is irrelevant, frivolous, vexatious etc.
- to determine applications under the Licensing Act 2003 Minor Variations to Premises Licence Legislative Reform (Minor Variations to Premises Licences and Club Premises Certificates) Order 2009.
- the giving of a counter notice for Late Temporary Event Notices
- whether to make representations as a Responsible Authority
- the issue of a notice of suspension of licence for non payment of the Annual Fee

4.35 Local Government (Miscellaneous Provisions) Act 1982 (Schedule 3) - to determine applications for the renewal of a sex shop licence

4.36 Refuse (Disposal) Amenity Act 1978

4.37 Pollution Prevention and Control Act 1999

4.38 Clean Neighbourhoods and Environment Act 2005

4.39 Health Act 2006 and the Smoke-Free Enforcement Policy - To authorise appropriate Officers under the provisions of Chapter 1 therein

4.40 Vehicle Crimes Act 2001 and the Motor Salvage Operators Regulations 2002

5 Enforcement of local bylaws.

6 Granting financial assistance in accordance with the Council's policy for the repair/improvement of properties. This shall include the power in consultation with the Executive member with relevant portfolio and Assistant Director Finance to waive repayment and depart from the Council's agreed policy where such a departure is minor in nature.

7. To deal with the provisions of and enforce compliance with Sections 40 - 42 of the Anti-Social Behaviour Act 2003.
8. To deal with and enforce compliance with the provisions of Sections 43 to 45 and 47 of the Anti-Social Behaviour Act 2003, with the exception of sub-section 44(f), which deals with offences contrary to the Town and Country Planning Act 1990 which will be dealt with by the Assistant Director City Development.
9. To deal with the provisions of and enforce compliance with sections 55 and 56 of the Anti-Social Behaviour Act 2003, where appropriate in consultation with the Corporate Manager Legal Services.
10. To deal with all matters, powers, duties and functions, which shall include the issuing of Licences and permits in respect of lotteries and house to house and street collections in accordance with the House to House Collections Act 1939, the Police Factories (Miscellaneous Provisions) Act 1916 (Street Collections) and Schedule 17 of the Gambling Act 2005.
11. Be authorised under Section 53 of the Anti Social Behaviour Crime and Policing Act 2014 (the Act) for issuing Community Protection Notices (CPN) and related Fixed Penalty Notices of a £100 penalty fee in respect of breaches of a CPN.
12. To implement Public Spaces Protection Orders (PSPO) under Part 4 Chapter 2 of the Anti Social Behaviour Crime and Policing Act 2014 following agreement in each case at the multi-agency Anti Social Behaviour Action Team and related Fixed Penalty Notices of a £100 penalty fee in respect of breaches of a PSPO.
13. To issue a Closure Notice of no longer than 24 hours following appropriate consultation under Part 2 Chapter 3 of the Anti Social Behaviour Crime and Policing Act 2014.

ASSISTANT DIRECTOR FINANCE

1. To determine interest rates and their applicable dates in respect of new and existing mortgages.
2. In consultation with the Corporate Manager Legal Services to initiate court proceedings for the recovery of arrears in respect of mortgages.
3. To be responsible:
 - a. For all day to day decisions on short term borrowing, investment and financing in accordance with the CIPFA Code of Practice "Treasury Management in the Public Services".

- b. In consultation with the Executive member with relevant portfolio for decisions on long term borrowing in accordance with the Prudential Code for Capital Finance in Local Authorities and the CIPFA Code of Practice "Treasury Management in the Public Services".
4. To deal with all insurance claims against the Council. This power shall include where necessary authority to settle all such claims.
5. To approve all housing advances for purchase or improvement.
6. To be responsible for undertaking the role of Money Laundering Reporting Officer in accordance with the Money Laundering Regulations 2003.
7. The execution and administration of treasury management decisions, in accordance with the Council's policy statement and treasury management practises and, if a CIPFA member, with CIPFA's Standard of Professional Practice on Treasury Management.
8. In consultation with the Leader of the Council and the Human Resources ~~Business Manager~~ **Transactional Services Manager** authorize the application of the Councils Local Government Pension Scheme Employer Discretions.
9. To approve the creation or modification of approved contractor standing lists.

ASSISTANT DIRECTOR HOUSING

1. Adaptation of Council Properties for disabled persons.
2. In agreement with the Leader of the Council and ~~the Portfolio Holder for Housing Revenue Account~~ **Executive Member with Relevant Portfolio** (or their substitutes nominated by the Leader) and the Corporate Manager Property, following receipt of professional property management advice, the identification for disposal at market value or less than best value of small areas of land no longer required for the housing unit's purposes, in accordance with the agreed scheme.
3.
 - (a) To administer the scheme for Housing Capital Grant.
 - (b) In consultation with the Assistant Director Finance, to authorise payment of the Housing Capital Grant in accordance with 14(a) above.
 - (c) To negotiate and enter into Nomination Agreements in accordance with 14 (a) and (b) above.
 - (d) Where this does not prejudice the Authority's capital receipt, to seek maximum nomination rights on disposal of land to registered social landlords.

4. In consultation with the Corporate Manager Legal Services to enter into releases of covenants affecting former Council rented or shared ownership dwellings.
5. To deal with and approve applications for grant in accordance with section 24 and 25 of the Local Government Act 1988.
6. In consultation with the Corporate Manager Legal Services, to:-
 - (i) institute injunction proceedings in respect of anti-social behaviour pursuant to section 13 of the Act;
 - (ii) institute proceedings in the County Court to obtain Demotion Orders pursuant to section 14 of the Act;
 - (iii) institute proceedings in the County Court to obtain possession orders pursuant to section 16 of the Act; and
 - (iv) In consultation with the ~~Portfolio Holder for Enabling Services~~ ~~Executive Member with Relevant Portfolio~~ and the Assistant Director Finance, to make minor amendments to the Contract Regulations to reflect changes in legislation.
7. In consultation with the ~~Portfolio Holder Housing Revenue Account~~ ~~Executive Member with Relevant Portfolio~~ and Finance and Estates officers, to acquire suitable premises under the Housing Asset Management Plan framework using receipts generated by the disposal of assets.
8. In consultation with the ~~Portfolio Holder Customer Access~~ ~~Executive Member with Relevant Portfolio~~, to undertake an Enforced Sale, an Empty Dwelling Management Order or a Compulsory Purchase Order to bring an empty property back to use.
9. To arrange for and re-charge as necessary for the removal and storage of personal possessions.
10. The Service of Notice of Intention to Seek Possession.
11. Initiation and conduct of legal proceedings for possession in respect of cases where rent arrears are outstanding. This shall include the power to authorise

officers to appear in the County Court to represent Exeter City Council in respect of rent arrears.

12. Grant, administer and, where necessary, terminate any flexible tenancy.
13. Approve the use of commuted sums, as required, to acquire new affordable housing in consultation with the ~~Portfolio Holder Customer Access or Portfolio Holder Housing Revenue Account Executive Members with Relevant Portfolio~~ and Finance and Estates Officers.
14. Approve the use of consultants to assist the Housing Development Team in undertaking viability appraisals and the appraisal of new forms of affordable housing delivery in consultation with the ~~Portfolio Holder for City Development Executive Member with Relevant Portfolio~~
15. To terminate any tenancy or licence where necessary, by relying on the absolute grounds for possession introduced by the Anti Social Behaviour Crime and Policing Act 2014 (the ASBCP Act 2014).
16. In consultation with the ~~Portfolio Holder Customer Access Executive Member with Relevant Portfolio~~ in conjunction with the Assistant Director Finance and the Corporate Manager Legal, approve a repayment plan with a landlord where a property is handed back early from a private rental agreement with an individual landlord where outstanding funds are owed to the Council. This will be subject to a legal charge being created and registered in the Council's favour against the property.

ASSISTANT DIRECTOR PUBLIC REALM

1. All matters relating to the day-to-day management of the River Exe and Canal.
2. The day-to-day management, lettings and allocation of harbour mooring and to issue consents to use landings, slipways, pontoons and berthing subject to such charges and policies approved by the Council.
3. In consultation with the Corporate Manager Legal Services, the regulation and enforcement of Harbour by-laws.
4. To exercise the Council's powers under Section 6-8, 25 and 30 of the Exeter City Act 1987.

5. In consultation with the Corporate Manager Legal Services, to agree/refuse requests for road closures.
6. To discharge the powers conferred on the City Council by the following sections of the Exeter City Council Act:-

Section 19 – Restriction of vehicles in certain residential streets; and

Section 30 – Prohibiting of parking of vehicles on footways, verges and central reservations.

7. To agree requests for the adoption of land and facilities provided by a developer for the Parks and Open Spaces service pursuant to a planning obligation.
8. In consultation with other Assistant Directors as appropriate, the letting of parks and open spaces for special events where this does not have a negative financial impact on the Council.
9. To deal with burials in accordance with the National Assistance Acts 1948-1951 and the Public health (Control of Diseases) Act 1984.
10. Where appropriate, to serve Notices to Quit terminating allotment tenancies.
11. In consultation with the Corporate Manager Legal Services and the Portfolio Holder Environment, authority to make amendments to the Allotment Gardens Rules and Conditions.
12. The identification for disposal of small areas of land no longer required for leisure purposes.
13. In consultation with the Leader of the Council and ~~Portfolio Holder for Economy and Culture~~ Executive Member with Relevant Portfolio to consider objections to Exeter City Council Parking Places Orders and amendments hereto.
14. Be authorised under Section 53 of the Anti Social Behaviour Crime and Policing Act 2014 (the Act) for issuing Community Protection Notices (CPN) and related Fixed Penalty Notices of a £100 penalty fee in respect of breaches of a CPN.
15. To implement Public Spaces Protection Orders (PSPO) under Part 4 Chapter 2 of the Anti Social Behaviour Crime and Policing Act 2014 following agreement in each case at the multi-agency Anti Social Behaviour Action Team and related Fixed Penalty Notices of a £100 penalty fee in respect of breaches of a PSPO.

16. Authority to enter into management agreements with duly elected Allotment Associations, as prescribed (Council 15 October 2014) in consultation with ~~Portfolio Holder for Environment, Health and Wellbeing. Executive Member with Relevant Portfolio~~
17. To reassign any residue from any future capital funding for the waterway in order to effect immediate and or significant repairs elsewhere in the Canal or Quay, in consultation with the ~~Portfolio Holder for Economy and Culture Executive Member with Relevant Portfolio~~ and the Assistant Director Finance.
18. To exercise the powers and functions of the Council under Section 26 of Exeter City Act 1987.
19. In consultation with the Assistant Director Finance, the power to vary the fees and charges in respect of the Council's recreational and sports facilities (this shall exclude any facilities which may have been outsourced by the Council).
20. In consultation with the ~~Portfolio Holder Economy and Culture Executive Member with Relevant Portfolio~~ to decide on bids for the use of the Bowling Green Marshes Fund, in accordance with the agreed criteria and having sought the views of ward members.

CORPORATE MANAGER LEGAL SERVICES/MONITORING OFFICER

1. To act as the Council's Chief Legal Advisor responsible for the initiation, defence, settlement and conduct of any legal proceedings which may affect the interests of the Council or the inhabitants of the City.
2.
 - (a) The service of any notice required to terminate any contract, agreement or lease entered into by the Council including notices to vary any terms of such contract, agreement or lease.
 - (b) Where power to institute proceedings in the Magistrates Court is given by statute to the Council, the Corporate Manager Legal Services/Monitoring Officer shall institute and progress those proceedings (including progressing them in the higher courts if appropriate).
 - (c) In consultation with Assistant Director concerned, authority to issue formal cautions where he/she considers this appropriate.
3. To authorise officers under Section 7 of the Exeter City Act 1987 in respect of the maintenance of the city walls.
4. In consultation with the Assistant Director Finance and Corporate Manager Property following receipt of professional property management advice, authority to agree the release of any covenants imposed on former council houses where such release is in the interests of the Council.

5. To apply to the Justices to authorise entry into land or premises by persons named by the Assistant Director City Development under the Town & County Planning Act 1990 (as amended).
6. In conjunction with the Assistant Director Public Realm, to approve orders under Section 21 of the Town Police Clauses Act 1847, for the temporary closure of streets, subject to consultation with police and the County Council.
7. To attest the Common Seal of the Council and sign other legal documents. In his/her absence, this may also be undertaken by the Chief Legal Executive or in their absence by the Chief Executive & Growth Director.
8. To provide and sign statements of truth in accordance with the Civil Procedure Rules.
9. To institute, defend or participate in any legal proceedings in any case where such action is necessary to give effect to decisions of the Council or in any case where the Corporate Manager Legal Services considers that such action is necessary to protect the council's interest.
10. To discharge the functions of the Monitoring Officer as set out in Articles 11 and 14 of Part 2 of the Constitution.
11. To approve minor administrative/typographical corrections to the Constitution in consultation with the Leader of the Council.
12. In consultation with the Council's appointed independent person, to deal with any complaint received, alleging a breach of the Members Code of Conduct in accordance with the complaints procedure, including the authority to decide whether an allegation merits investigation.
13. To determine requests from Members for dispensations to take part in the debate and/or vote in a meeting where he/she has an interest to declare, and where there is conflict, for another member of the Audit and Governance Committee to be consulted.

CORPORATE MANAGER DEMOCRATIC/CIVIC SUPPORT

- 1 (a) Designated as the "proper officer" for the purpose of the following sections of the Local Government Act 1972:-
 - (i) Section 100B(2) - determination of the agenda items and reports which are likely to be dealt with in part 2
 - (ii) Section 100B(7)(C) - supply of papers to the press
 - (iii) Section 100C(2) - summaries of the proceedings held in part 2

- (iv) Section 100F(2) - determination of documents not available for inspection by members
 - (b) Designated as the “proper officer” in respect of The Executive Arrangements (Decisions, Documents and Meetings) (England) Regulations 2000 and the Local Authorities (Executive Arrangements) (Meetings and Access to Information) (England) Regulations 2012.
2. In consultation with the leaders of the Political Groups, to implement minor variations of numbers **and appointments** of members of Committees/Sub-Committees, in order to comply with the proportionality requirements of the Local Government and Housing Act 1989.
 3. To exercise the powers set out in section 31 of the Exeter City Act 1987 in respect of the restriction on the use of armorial bearings.
 4. To authorise the use of the Guildhall for private functions.
 5. To carry out the duties of the Electoral Registration Officer and/or arrange for the discharge of the Returning Officer’s duties.

CORPORATE MANAGER POLICY, COMMUNICATIONS AND COMMUNITY ENGAGEMENT

1. To conduct listing reviews and compensation reviews in respect of assets of community value.

CORPORATE MANAGER PROPERTY

In respect of every single decision/transaction, the Corporate Manager Property or the officer appointed for the purpose shall exercise the authority delegated to him/her in accordance with the following:

- 1) In undertaking decisions/transactions the following authority and decision processes will apply:
 - (a) Where the cost or equivalent value to the Council does not exceed £25,000 per annum - The Corporate Manager Property or the officer appointed for the purpose.
 - (b) Where the cost or equivalent value to the Council is between £25,000 and £50,000 per annum - Corporate Manager Property or the officer appointed for the purpose in consultation with the Deputy Chief Executive.

- (c) Where the cost or equivalent value to the Council is between £50,000 and £100,000 per annum - Corporate Manager Property or the officer appointed for the purpose in consultation with the Executive member with relevant portfolio and the Deputy Chief Executive.

Provided always that any decision/transaction which may involve expenditure over £100,000 in value shall be reported to the Executive for a decision.

For the avoidance of doubt no delegated authority shall be exercised unless in accordance with 1 (a) to (c) above

2. Authority to enter into and grant leases, licenses, tenancies at will and wayleave agreements.
3. To consent to the assignment, sub-letting or surrender of existing leases and to approve amendments to the terms of existing leases, licence or agreement.
4. Where appropriate in consultation with the Corporate Manager Legal, to authorise and take necessary legal proceedings for the termination and renewal of leases, agreements and licences.
5. In consultation with the Assistant Director Finance and Corporate Manager Legal, to take legal/court action to enforce payment of rent and other charges due to the Council.
6. To approve the revision of rent and licence fees either in accordance with the formula set out in the lease or in accordance with the open market value. This shall include authority to agree not to increase the rent where appropriate.
7. In consultation with the Corporate Manager Legal, authority to institute proceedings for the removal of trespassers on City Council land.
8. In consultation with the Corporate Manager Legal, authority to exercise the powers contained under Section 77 and 78 of the Criminal Justice Public Order Act 1994.
9. Authority to submit planning applications for the development or redevelopment of Council owned sites.
10. In accordance with any procedures required by the Asset Management Plan and in consultation the Assistant Director Finance, where this is deemed to be in the overall best interests of Exeter City Council, and where such disposal is of no strategic importance to the Authority, the disposal by freehold sale of land and/or buildings at open market value.
11. Authority to vary or release freehold covenants where such release is not likely to prejudice the Council's existing land holding or any future development proposals.

12. In consultation with the Assistant Director Finance and Corporate Manager Legal, to pay or accept compensation where appropriate.
13. In consultation with the Assistant Director Finance, authority to acquire interests in land, provided that such acquisition is catered for within the capital bidding programme and the AIM process.
14. To act as appointing officer and take all necessary action to comply with Party Walls, etc. Act 1996.
15. In consultation with the Assistant Director Finance and in agreement with the other relevant Assistant Director(s), to agree requests for the adoption of land and facilities provided by a developer pursuant to a planning obligation.
16. To approve the creation or modification of approved contractor standing lists.

SERVICE MANAGER – BUSINESS AND COMMERCIAL OPERATIONS

1. Responsibility to interpret the Allotment Garden Rules and Conditions (agreed Council 15 October 2014) in the case of a dispute.

EVENTS, FACILITIES & MARKETS MANAGER

1. The alteration of market days required as a result of statutory holidays.
2. To establish/vary tolls, fees and charges in respect of the Matford Centre, Corn Exchange and the various markets authorised by Exeter City Council.
3. The day-to-day management, including where appropriate, opening hours and bookings for the Council's recreational facilities.

MUSEUM MANAGER

1. The effective day to day running of the City Museums and to determine the casual use of the Museum buildings in connection with events promoted by or supported by the City Council.
2. To exercise the powers and functions of the Council under Sections 9, 10 and of Exeter City Act 1987.
3. To agree requests for the adoption of land and facilities provided by a developer for the Museums service pursuant to a planning obligation.
4. In consultation with the ~~Portfolio Holder Economy and Culture Executive Member with Relevant Portfolio~~ to approve items for de-accession from the museum collection, unless the item is of a significant nature or monetary value.

5. In consultation with the Executive member with relevant portfolio and the Assistant Director Finance to make advances/loans to Social, Cultural and Sporting organisations in accordance with the Council's agreed policy, provided that such advances/loans are within the Council's agreed budgetary allocations.

HUMAN RESOURCES TRANSACTIONAL SERVICES MANAGER

1. The authority to amend HR policies and procedures where a statutory change or an organisational change (i.e. change in job title/role) has occurred making the amendments necessary.

Deputies for Delegated Powers

OFFICER WITH DELEGATED AUTHORITY	DELEGATION NUMBER	DEPUTY
-------------------------------------	-------------------	--------

DEPUTY CHIEF EXECUTIVE, ASSISTANT DIRECTORS AND CORPORATE MANAGERS	9 (2 – Necessary Disciplinary Action)	AD Environment – Cleansing and Fleet Manager AD – Public & Green Spaces Manager
ASSISTANT DIRECTOR CITY DEVELOPMENT	1	Relevant postholder
ASSISTANT DIRECTOR CUSTOMER ACCESS	1 – 28	System Lead Finance Housing Needs Manager Services Improvement Lead Local Taxation Services Improvement Lead Benefits Services Improvement Lead Payments Services Improvement Lead Customer Support
EVENTS, FACILITIES & MARKETS MANAGER	1 – 3	Corn Exchange – Events, Facilities & Marketing Officer Matford Centre/Markets – Markets, Facilities & Admin Officer Leisure Facilities – Leisure Facilities Manager Tourism Facilities – Visitor Facilities Officer
MUSEUM MANAGER	1 – 5	Content Management Lead Officer
ASSISTANT DIRECTOR ENVIRONMENT	1 - 12 1-7	Environmental Health & Licensing Manager Private Sector Housing Manager

	4.4 10	Cleansing and Fleet Manager Principal Licensing Officer
ASSISTANT DIRECTOR FINANCE	1 - 9	Principal Accountant Technical Accounting Manager (Deputy Section 151 Officer)
ASSISTANT DIRECTOR HOUSING	1 – 11 12, 15 13 – 14	Service Lead Housing Assets, Service Lead Housing Customers, Housing Development Manager Service Lead Housing Customers Housing Development Manager
ASSISTANT DIRECTOR PUBLIC REALM	1 – 5, 7 – 8, 10 – 12, 16 - 20 6, 13 - 15 7 – 8, 13 9	Service Manager, Business and Commercial Operations Service Manager, Community Safety and Enforcement Service Manager, Public and Green Space Service Managers, Public and Green Space or Business and Commercial Operations
CORPORATE MANAGER LEGAL SERVICES	2(a) 2(c), 8	Chief Legal Executive or in his/her absence either the Planning or Litigation Solicitor

	3, 4, 6, 7, 9 5 10	Litigation Solicitor Chief Legal Executive Planning or Litigation Solicitor Corporate Manager Democratic/Civic Support
CORPORATE MANAGER DEMOCRATIC/CIVIC SUPPORT	1 – 2 4 5	Democratic Services Manager (Committees) Mayoral Support Officer Democratic Services Manager (Elections)
CORPORATE MANAGER POLICY, COMMUNICATIONS AND COMMUNITY ENGAGEMENT	1	
CORPORATE MANAGER PROPERTY	1 – 16 15 16	Principal Estates Surveyor Corporate Property Asset Manager
HUMAN RESOURCES TRANSACTIONAL SERVICES MANAGER	1	HR Business Partners

Part 4

Council Standing Orders

STANDING ORDER 12(B)

CONFLICT RESOLUTION – BUDGET ESTIMATES

- (1)
 - (a) This Standing Order only applies where a dispute arises between full Council and the Executive when setting the budget for the ensuing year.
 - (b) This Standing Order may not be invoked in respect of a function that is the sole responsibility of the Executive.
- (2) Where before the ~~8th~~ 15th February in any financial year, the Executive has submitted estimates of amounts for approval and following consideration of the estimate of amount, the Council has objections to it, then before the Council approves the amount, it must inform the Leader of those objections and instruct him/her to require the Executive to reconsider, in the light of those objections, the estimate of amount put forward for approval.
- (3) The Council must specify to the Leader a period of at least 5 working days (beginning the day after the date on which the Leader receives notice of the objection) during which period, the Leader may:-
 - (a) Submit a revision of the estimates or amounts, together with the Executive's reasons for any amendments so made OR
 - (b) Inform the Council of any disagreement the Executive has with the Council's objections giving its reasons for any such objections.
- (4) Once the time limit set out in Standing Order 12(B)(3) has expired, the Council must when amending, approving or adopting the estimate or amount, take account of the Leader's response.
- (5) For the avoidance of doubt, the provisions of Standing Order 12(B) shall not apply in relation to amounts stated in a precept.

STANDING ORDER 17

SCRUTINY OF EXECUTIVE RESOLUTION (CALL-IN)

- (1)
 - (a) A special meeting of a relevant Scrutiny Committee shall be called to consider a decision made by an Executive Committee or Executive member published in accordance with Standing Order 13(1) provided the reasons for Call-In fall within the criteria set out in paragraph 5 of the Executive Procedure Rules.
 - (b) Any such Call-In shall require notice in writing delivered to the Corporate Manager Democratic/Civic Support not later than 10.00 am 5 days after publication of the decision ~~by at least one third of the Members of that Committee~~ by at least seven Scrutiny members, irrespective of the Scrutiny Committee on which they serve.

- (2) The special meeting must normally take place within 5 working days of receipt of such notice.
- (3) The Chair of that meeting may call the appropriate Executive member/s and/or officer/s of the Council to attend to answer any questions regarding the matter called in for scrutiny.
- (4) A member of the Scrutiny Committee may ask any Executive member with relevant portfolio any question on an item which has been called in under Standing Order 17(3).
- (5) After consideration of a decision, the Scrutiny Committee may:-
 - (a) resolve to take no further action.
 - (b) refer the matter back to the Executive for reconsideration, setting out in writing the reason for its request.
 - (c) refer the matter to Council who may refer the decision back to the Executive for reconsideration setting out in writing the reasons for its request.

Provided always that where the decision is required to be made by the Executive, the Executive may or may not amend its decision.

- (6) (a) Where notice in accordance with Standing Order 17(1) is not delivered to the Corporate Manager Democratic/Civic Support, any decision made by the Executive and/or officer with delegated authority for a key decision shall be final.
- (b) A decision made by the Executive and/or officer with delegated authority for a key decision may only be called in once for re-consideration.
- (c) The Call-In procedure set out in this Standing Order shall not apply:-
 - (i) to any report/item already considered by the appropriate Scrutiny Committee prior to the decision being made by the Executive or officer with delegated authority for a key decision; or
 - (ii) where the decision taken is urgent.

A decision is urgent where the interests of the Council or public require immediate action and any delay caused by the call in process would prejudice the interests of the Council or the public.

STANDING ORDER 50
STANDING ORDERS TO BE GIVEN TO MEMBERS

- (1) ~~A printed~~ An electronic copy of the Council's constitution, which shall include a copy of these Standing Orders and of such statutory provisions as regulate the proceedings and business of the Council, shall be given to each member by the Corporate Manager Democratic/Civic Support on the making of their declaration of acceptance of office on being first elected to the Council. A hard copy will be provided by the Corporate Manager, Democratic and Civic Support on receipt of a written request by a member.

STANDING ORDER 52

APPOINTMENT/DISMISSAL OF CHIEF OFFICERS AND SOME SECOND TIER OFFICERS

- (1) (a) The Head of Paid Service/Strategic Director (as appropriate) shall appoint/dismiss chief officers and Assistant Directors/Corporate Managers on JNC conditions of service.
- (b) Appointment of chief officers and Assistant Directors/Corporate Managers shall follow a selection process involving the relevant portfolio holder and any other member(s) considered appropriate.
- (2) Before making an offer of employment or the dismissal, the Head of Paid Service or Strategic Director (as appropriate) shall provide all the members of the Executive, with the following: -
- (a) The name of the person to be appointed/dismissed
- (b) Any other information relevant to the appointment/dismissal.
- (c) A reasonable period within which any objection to the making of the offer of appointment/dismissal is to be made by the Leader on behalf of the Executive.
- (3) An offer of employment or the dismissal of a chief or second tier officer employed under Joint National Council Conditions of Service shall only be made once the appointor/dismissor has considered any objections made and is satisfied that any such objections are not material or well founded. In the case of the Head of Paid Service, Monitoring Officer or Chief Finance Officer the procedure set out in Standing Order 54 shall apply.
- (4) Whilst any action to suspend the Head of Paid Service, or any Chief Officer, for the purpose of investigation is being undertaken, they shall be on full pay for as long as it takes from the date that suspension takes place.
- (5) Members will not be involved in any disciplinary action against any officer below chief officer except where such involvement is necessary for an investigation or inquiry into alleged misconduct through the Council's disciplinary procedures.

STANDING ORDER 53

OTHER APPOINTMENTS

- (1) The Head of Paid Service, Strategic Directors and Assistant Directors/Corporate Managers (or such other officer to whom this function has been delegated) shall be responsible for appointment of staff within their area of responsibility other than those who are on Joint National Council Conditions of Service.

STANDING ORDER 54

~~DISCIPLINARY ACTION-DISMISSAL OF STATUTORY OFFICERS~~

~~No disciplinary action [within the meaning of Part II of the Local Authorities (Standing Orders) (England) Regulations 2001 in respect of the Head of the Authority's Paid Service, the Monitoring Officer and Chief Finance Officer, except action described in paragraph (2)] may be taken by the Council, its Committees, Sub-Committees, the Executive, relevant joint committee or any other person acting on their behalf, other than in accordance with a recommendation in a report (investigation of alleged misconduct) made by a designated independent person under Regulation 3 of those Regulations.~~

- (1) ~~A decision to dismiss the Head Paid of Service, Monitoring Officer and Section 151 Finance Officer may only be taken by Full Council in accordance with the procedure set out in the Local Authorities (Standing Orders) (England) Regulations 2015/881, as may be amended from time to time.~~
- ~~(2) The action mentioned in paragraph (1) is suspension of the officer for the purpose of investigating the alleged misconduct occasioning the action, and any such suspension shall be on full pay and terminate no later than the expiry of two months beginning on the day on which the suspension takes effect.~~
- ~~(3) Members will not be involved in any disciplinary action against any officer below chief officer except where such involvement is necessary for an investigation or inquiry into alleged misconduct through the Council's disciplinary procedures.~~

Access to Information Procedure Rules

4. Notices of Meeting

The council will give at least five clear days notice of any meeting by posting details of the meeting at the Civic Centre, Exeter. ~~Publication of these details on the Council's website will constitute appropriate notice of these meetings.~~

5. Access to Agenda and Reports Before the Meeting

The Council will make copies of the agenda and reports open to the public available for inspection at the designated office at least five clear days before the meeting. If an item is added to the agenda later, the revised agenda (where reports are prepared after the summons has been sent out, the designated officer shall make each such report available to the public as soon as the report is completed and sent to councillors) will be open to inspection from the time the item was added to the

agenda. A reason as to why the addition to the agenda will be published at the same time.

Scrutiny Procedure Rules

6. Chairs

6.1 Chairs of scrutiny committees will be drawn from among the councillors sitting on the committee.

6.2 Scrutiny chairs will undertake the following roles:

1. To chair meetings of Scrutiny Committees and ensure that the scrutiny function is developed and exercised according to the Council's Constitution.
2. To ensure that the work of the Scrutiny committee contributes to the Council's corporate objectives.
3. To manage the workload of the Scrutiny Committee to ensure that it can effectively carry out its role of:
 - reviewing the formulation of policy development
 - ~~best value service reviews~~
 - advising the Executive of areas of potential improvements.
4. To liaise with Executive Portfolio holders as appropriate.
5. To contribute to the training and development of members engaged in the scrutiny and review role.
6. To approve any report which the Committee may wish to submit to the Executive as necessary
7. To be the spokesperson for the Committee within the terms of the former DTLR Code of Recommended Practice on Local Authority Publicity

15. Call-In (Standing Order 17)

Call-in should only be used in exceptional circumstances. These are where members of the appropriate scrutiny committee have evidence which suggests that the Executive did not take the decision in accordance with the principles set out in Article 12 (Decision Making) or paragraph 5.4 of the Executive Procedure Rules. Call-in will not apply in the circumstances set out in paragraph 5.1 of the Executive Procedure Rules.

- (a) When a decision is made by the Executive, an individual member of the Executive or a committee of the Executive, or a key decision is made by an officer with delegated authority from the Executive, the decision shall be published, including where possible by electronic means, and shall be available in accordance with the time limits set out in Standing Order 17. All Councillors will be sent copies of the records of all such decisions within the same timescale, by the person responsible for publishing the decision.
- (b) That notice will bear the date on which it is published and will specify that the decision will come into force, and may then be implemented, on the expiry of 5 working days after the publication of the decision, unless a scrutiny committee objects to it and calls it in.
- (c) During that period, the proper officer shall call-in a decision for scrutiny by the committee if so requested by at least ~~one third of the members of the committee~~ seven Scrutiny members, irrespective of the Scrutiny Committee on which they serve , and shall then notify the decision taker of the call-in. He/she shall call a meeting of the committee on such date as he/she may determine, where possible after consultation with the chair of the committee, and this will normally be within 5 days of the decision to call-in.
- (d) If, having considered the decision, the scrutiny committee is still concerned about it, then it may refer it back to the decision making person or body for reconsideration, setting out in writing the nature of its concerns or refer the matter to full Council. If referred to the decision maker they shall then reconsider the matter as soon as possible, amending the decision or not, before adopting a final decision.
- (e) If the matter was referred to full Council and the Council does not object to a decision which has been made, then no further action is necessary and the decision will be effective in accordance with the provision below. However, if the Council does object, the Council will refer any decision to which it objects back to the decision making person or body, together with the Council's views on the decision. That decision making body or person shall choose whether to amend the decision or not before reaching a final decision and implementing it.
- (f) If the Council does not meet, or if it does but does not refer the decision back to the decision making body or person, the decision will become effective on the date of the Council meeting or expiry of the period in which the Council meeting should have been held, whichever is the earlier.
- (g) A matter may not be called-in if:
- It is a non-Executive decision
 - the decision has already been called in once

- the report/item has already been considered by the appropriate Scrutiny Committee prior to the decision being made by the Executive or officer with delegated authority for a key decision
- it is a non-key decision made by delegated officers
- it in an urgent decision.

Terms of Reference for Scrutiny Committees

Membership

The membership of all committees is determined by the Council at its Annual Meeting. The membership may be varied during the year only with the consent of the Council.

Alignment

People Scrutiny Committee

Scope

To review the implementation of existing policies and to consider the scope for new policies with regard to all aspects of the Council's functions concerning benefits, collection of council tax and business rates, housing including advice and the Housing Revenue Account

Place Scrutiny Committee

Scope

To review the implementation of existing policies and to consider the scope for new policies with regard to all aspects of the Council's functions concerning economic activity and tourism, culture, leisure, waterways, Markets, RAMM, planning, sustainable development, transport, the environment, health and wellbeing, licensing, community safety and the Joint Mitigation Committee.

Corporate Services Scrutiny Committee

Scope

To review the implementation of the Council's existing policy and budget framework and consider the scope for new policies for the Council use and management of its resources and discharge of its corporate and strategic services, governance arrangements, business strategy, community engagement, estate management, ICT, channel shift, communications, equalities and emergency planning.
To review the draft budgets of the Executive and the Council and ensure the effective scrutiny of the Council's Treasury Management Strategy and policies.

Terms of Reference

General role

Within their terms of reference, each Scrutiny Committee will:

- (i) approve a scrutiny work plan which will include a focus on a policy development, performance review and pre-decision scrutiny
- (ii) review and/or scrutinise decisions made or actions taken in connection with the discharge of any of the Council's functions;
- (iii) submit reports and/or recommendations to the Executive and/or full Council in connection with its work;
- (iv) consider any matter which may affect the area or its inhabitants; and
- (v) exercise the right to call-in decisions made but not yet implemented by the Executive, Executive Members and/or officer key decision;
- (vi) consider petitions in accordance with the Council's Petition Scheme.

Specific functions

(a) Policy development and review

The Scrutiny Committees may:

- (i) assist the Council and the Executive in the development of its budget and policy framework;
- (ii) conduct research, community and other consultation in the analysis of policy issues and possible options;
- (iii) encourage and enhance community and key stakeholders engagement in the development and shaping of Council policies;
- (iv) question members of the Executive and chief officers about their views on issues and proposals which may affect the City Council and its residents; and
- (v) liaise with other external organisations, whether national, regional or local, to encourage collaborative working.

(b) Scrutiny

The Scrutiny Committees may:

- (i) review and scrutinise the decisions made by, and the performance of the Executive (both collectively and individually) and Council officers from time to time and where deemed necessary;
- (ii) review and scrutinise the performance of the Council in relation to its policy objectives, performance targets and/or particular service areas;
- (iii) question Members of the Executive and Chief Officers about their decisions and performance, whether generally in comparison with service plans and targets over a period of time, or in relation to particular decisions, initiatives or projects;
- (iv) make recommendations to the Executive and/or the Council arising from the outcome of the scrutiny process;
- (v) review and scrutinise the performance of other public and private organisations in respect of activities or proposals that have an impact on the city of Exeter, its residents and/or the Council and invite presentations/reports from them by asking them to address the Scrutiny Committees and local people about their activities and performance (no more than one presentation per committee);
- (vi) question and gather evidence from any person outside the Council (with their consent) in respect of specific issues of interest or possible impact on the Council.

~~Scrutiny Committee (Resources)~~

- ~~1. To evaluate and monitor the performance of Human Resources IT, Business Transformation, Finance and all central/corporate services.~~
- ~~2. To consider and advise the Executive on draft budget proposals which fall within the remit of this Committee.~~
- ~~3. At the request of the Council or Executive, to consider such papers or issues that are to be presented to the Executive, in order that the views of the Committee are available to the Council or Executive in making its decision.~~
- ~~4. To monitor the overall financial performance of the Council, including stewardship and treasury management.~~
- ~~5. To undertake reviews of the appropriate strategies and policies emanating from the work and functions of those services within the remit of the Committee in accordance with a work plan agreed in consultation with the Executive.~~

- ~~6. To review progress made within the Corporate Plan.~~
- ~~7. To appoint members to participate in Task and Finish Groups within the remit of this Committee, receive reports from and recommend action arising from these reviews to the Executive.~~
- ~~8. To review and advise the Executive on corporate staffing issues, including:
 - ~~• Industrial relations~~
 - ~~• Health and safety~~
 - ~~• Equalities~~
 - ~~• Such other staffing issues as directed by the Executive~~~~
- ~~9. To monitor the effectiveness of the Council's participation in such Partnership and inter-agency initiatives as fall within the remit of this committee.~~
- ~~10. To review such issues that might be appropriate arising from the portfolios held by Executive Members.~~
- ~~11. To request the Executive to reconsider such activities as have been the subject of debate following the use of call-in powers.~~
- ~~12. To ensure that all services within its remit operate in accordance with equalities principles.~~

1. **FINANCE**

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

~~Scrutiny Committee (Community)~~

- ~~1. To evaluate and monitor the performance of all housing, contracts, community engagement, environmental health (including cleansing), river and canal, parks and open spaces, bereavement and CCTV/Home Call services.~~
- ~~2. To consider and advise the Executive on draft budget proposals which fall within the remit of this Committee.~~
- ~~3. At the request of the Council or Executive, to consider such papers or issues that are to be presented to the Executive, in order that the views of the Committee are available to the Council or the Executive in making its decision.~~
- ~~4. To monitor the financial performance and undertake stewardship in respect of community and environmental services.~~

- ~~5. To receive audit reports in respect of services within the remit of the Committee.~~
- ~~6. To undertake reviews of the appropriate strategies and policies emanating from the work and functions of the community and environment services in accordance with a work plan agreed in consultation with Council and the Executive.~~
- ~~7. To appoint members to participate in Task and Finish Groups within the remit of this Committee, receive reports from and recommend action arising from these reviews to the Executive.~~
- ~~8. To monitor the effectiveness of the Council's participation in such Partnership and inter-agency initiatives as fall within the remit of this Council.~~
- ~~9. To review such issues that might be appropriate arising from the portfolios held by Executive Members.~~
- ~~10. To request the Executive to reconsider such activities as have been the subject of debate following the use of call-in-powers.~~
- ~~11. To ensure that all services within its remit operate in accordance with the principles of equal opportunities.~~
- ~~12. To undertake any appropriate scrutiny of health issues in Exeter.~~
- ~~13. To discharge the functions of a Crime and Disorder Committee to oversee and scrutinise the work of the Exeter Community Safety Partnership in accordance with the Crime and Disorder (Overview and Scrutiny) Regulations 2009.~~

Scrutiny Committee (Economy)

- ~~1. To evaluate and monitor the performance of all tourism, economic development, transportation, parking, estates, planning (except purely development control), Markets and Events, leisure and museums and technical (including flooding) services.~~
- ~~2. To consider and advise the Executive on draft budget proposals which fall within the remit of this Committee.~~
- ~~3. At the request of the Council or Executive, to consider such papers or issues that are to be presented to the Executive, in order that the views of the Committee are available to the Council or Executive in making its decision.~~
- ~~4. To monitor the financial performance and undertake stewardship in respect of economy and tourism services.~~

- ~~5. To receive audit reports in respect of services within the remit of the Committee.~~
- ~~6. To undertake reviews of the appropriate strategies and policies emanating from the work and functions of those services within the remit of the Committee in accordance with a work plan agreed in consultation with Council and the Executive.~~
- ~~7. To appoint members to participate in Task and Finish Groups within the remit of this Committee, receive reports from and recommend action arising from these reviews to the Executive.~~
- ~~7. To appoint members to participate in Best Value Service Review Groups within the remit of this Committee and to receive reports from and recommend action arising from Service Reviews to the Executive.~~
- ~~8. To monitor the effectiveness of the Council's participation in such Partnership and inter-agency initiatives as fall within the remit of this Committee.~~
- ~~9. To assist in the process for the adoption and approval of the Exeter Local Development Framework, and for the preparation of other elements of the Development Plan by the Regional Assembly, Devon County Council, and other local authorities.~~
- ~~10. To review such issues that might be appropriate arising from the portfolios held by the Executive Members.~~
- ~~11. To request the Executive to reconsider such activities as have been the subject of debate following the use of call-in powers.~~
- ~~12. To ensure that all services within its remit operate in accordance with the principles of equal opportunities.~~

Article 10

Officer Employment Procedure rules

1. Recruitment and appointment

(a) Declarations

- (i)** The Council will draw up a statement requiring any candidate for appointment as an officer to state in writing whether they are the parent, grandparent, partner, child, stepchild, adopted child, grandchild, brother, sister, uncle, aunt, nephew or niece of an existing councillor or officer of the Council; or of the partner of such persons.

- (ii) No candidate so related to a councillor or an officer will be appointed without the authority of the relevant chief officer or an officer nominated by him/her.
- (b) Seeking support for appointment.
- (i) Subject to paragraph (iii), the Council will disqualify any applicant who directly or indirectly seeks the support of any councillor for any appointment with the Council. The content of this paragraph will be included in any recruitment information.
 - (ii) Subject to paragraph (iii), no councillor will seek support for any person for any appointment with the Council.
 - (iii) Nothing in paragraphs (i) and (ii) above will preclude a councillor from giving a written reference for a candidate for submission with an application for appointment.

2. Recruitment of Head of Paid Service and Chief Officers (Standing Order 51)

Where the Council proposes to appoint a **Head of Paid Service**, or a chief officer ~~and it is not proposed that the appointment be made exclusively from among its existing officers~~, the Council will:

- (a) draw up a statement specifying:
 - (i) the duties of the officer concerned; and
 - (ii) any qualifications or qualities to be sought in the person to be appointed;
- (b) make arrangements for the post to be advertised in such a way as is likely to bring it to the attention of persons who are qualified to apply for it; and
- (c) make arrangements for a copy of the statement mentioned in paragraph (1) to be sent to any person on request.

3. Appointment of Head of Paid Service (Standing Order 53)

- (a) The full council will approve the appointment of the Head of Paid Service following the recommendation of such an appointment by a committee or sub-committee of the Council. That committee or sub-committee must include at least one member of the Executive.
- (b) The full Council may only make or approve the appointment of the head of paid service where no well-founded objection has been made by any member of the Executive.

4. **Appointment of Chief Officers and Officers on JNC Conditions of Service**

- (a) Appointment of chief officers (~~Deputy Chief Executive, Assistant Directors and Corporate Managers on JNC conditions of service~~) or ~~assistant directors/corporate managers on JNC conditions of service~~ shall be made by the Chief Executive & Growth Director/Deputy Chief Executive as appropriate following a selection process involving the relevant portfolio holder and any other member(s) considered appropriate.
- (b) The procedure set out in Standing Order 52(2) and 52(3) requiring consultation with members of the Executive must be followed.

5. **Other Appointments**

- (a) The appointment of Officers below those on JNC conditions of service, (other than assistants to political groups) is the responsibility of the head of paid service, which is normally discharged through the Assistant Directors/Corporate Managers or their nominees, and may not be made by councillors.
- (b) Assistants to political groups. Appointment of an assistant to a political group shall be made in accordance with the wishes of that political group.

6. **Disciplinary Action**

- (a) Suspension. The Head of Paid Service, Monitoring Officer and Chief Finance (**Section 151**) Officer may be suspended whilst an investigation takes place into alleged misconduct. That suspension will be on full pay and last no longer than two months.
- (b) Independent persons – ~~no action to dismiss Head Paid of Service, Monitoring Officer, Section 151 Officer, may be taken unless the procedure is in accordance with the Local Authorities (Standing Orders) (England) Regulations 2015/881, as may be amended from time to time. No other disciplinary action may be taken in respect of any of those officers except in accordance with a recommendation in a report made by a designated independent person. An Independent Panel will be formed of two or more Independent Persons.~~
- (c) Councillors will not be involved in the disciplinary action against any officer below those on JNC conditions of service except where such involvement is necessary for any investigation or inquiry into alleged misconduct, though the Council's disciplinary, capability and related procedures, as adopted from time to time, may allow a right of appeal to members in respect of disciplinary action.

7. **Dismissal**

Councillors will not be involved in the dismissal of any officer below those on JNC conditions of service except where such involvement is necessary for any investigation or inquiry into alleged misconduct, though the Council's disciplinary, capability and related procedures, as adopted from time to time, may allow a right of appeal to members in respect of dismissals.

Part 5

Media Protocol for Portfolio Holders and Scrutiny Chairs

3.4 Planning Committee/ Licensing/Audit and Governance/Major Grants ~~Panel and New Homes Bonus~~

The chair of the relevant committee will comment on issues arising from their committee or in their absence the deputy chair (where there is one). It is important to remember that it is not appropriate for councillors serving on these committees, if approached by the media, to comment on individual applications before their are determined.

3.5 Titles of Individuals and Meetings

It is proposed that titles of committees/portfolios are abbreviated when for the sake of clarity and understanding it makes sense to do so. For example: The Chair of the Scrutiny Committee for ~~Resources Corporate Services~~ could be abbreviated to Scrutiny ~~Resources Corporate Services~~ Chair.

Portfolio Holders have chosen as their preferred description for media and publicity the term "Lead Councillor for".

For all other committees the title Chair will be used.

Part 6

Members' Allowances Scheme

Payable with effect from 1 April 2016

Basic allowance payable to all Members - £5,000 per annum

****Special Responsibility Allowances**

	15/17
	£
Leader (basic x 325%)	16,250
Other Executive Members with Portfolios (basic x 175%) (x6)	8,750 each
Other Executive Member without Portfolio (basic x 50%) (x1)	2,500
Chairs of Scrutiny Committees (basic x 100%) (x3)	5,000 each
Chair of Planning Committee (basic x 100%)	5,000
Chair of Licensing Committee (basic x 75%)	3,750
Chair of Audit and Governance Committee (basic x 50%)	2,500

*** Any Member qualifying for more than one special responsibility allowance is paid the higher allowance only*

Lord Mayor's Expenses Allowance 5,000

Deputy Lord Mayor's Allowance 1,250

Dependents' Carers' Allowance

Allowance in line with the living wage offered to the lowest paid City Council employee of £7.85 plus an uplift of the standard rate of tax. £9.42 per hour (or part) is payable to Councillors whilst on "approved duties." with effect 1 April 2015.

NB This sum will rise to £8.25 (retaining the uplift of the standard rate of income tax, thus increasing the hourly rate to £9.91)

Travel and expenses

To match those payable to officers of the Council for any approved duties undertaken, with travel expenses being paid for any journeys undertaken outside of the City boundaries.

December 2015

Dependants' Carers' Allowance Scheme

An allowance of up to ~~£7.65~~ £7.85 per hour (pro rata for part of an hour), representing the Living Wage (plus an uplift of the standard rate of tax, thus increasing the hourly rate to ~~£9.49~~ £9.42), may be claimed in respect of expenses incurred by a Councillor when a carer for a dependant has been engaged to enable a councillor to carry out an approved duty.

A carer will be any responsible person who does not normally live with the councillor as part of that councillor's family.

An allowance will be payable if the dependant being cared for:

- is a child under the age of 14
- is an elderly person; or
- has a recognised physical or mental disability

who normally lives with the councillor as part of that councillor's family and should not be left unsupervised.

Qualifying duties are defined as meetings of the Council, its Committees and Sub-Committees, training events, briefings and such other duties as are specified by the relevant regulations*.

For meetings or duties within the Council's boundaries, the allowance will be paid for the duration of the meeting or otherwise approved duty plus an allowance for up to one hour's total travelling time before and after the meeting.

The actual cost of care will be reimbursed, up to a maximum of ~~£7.65~~ £7.85 per hour.

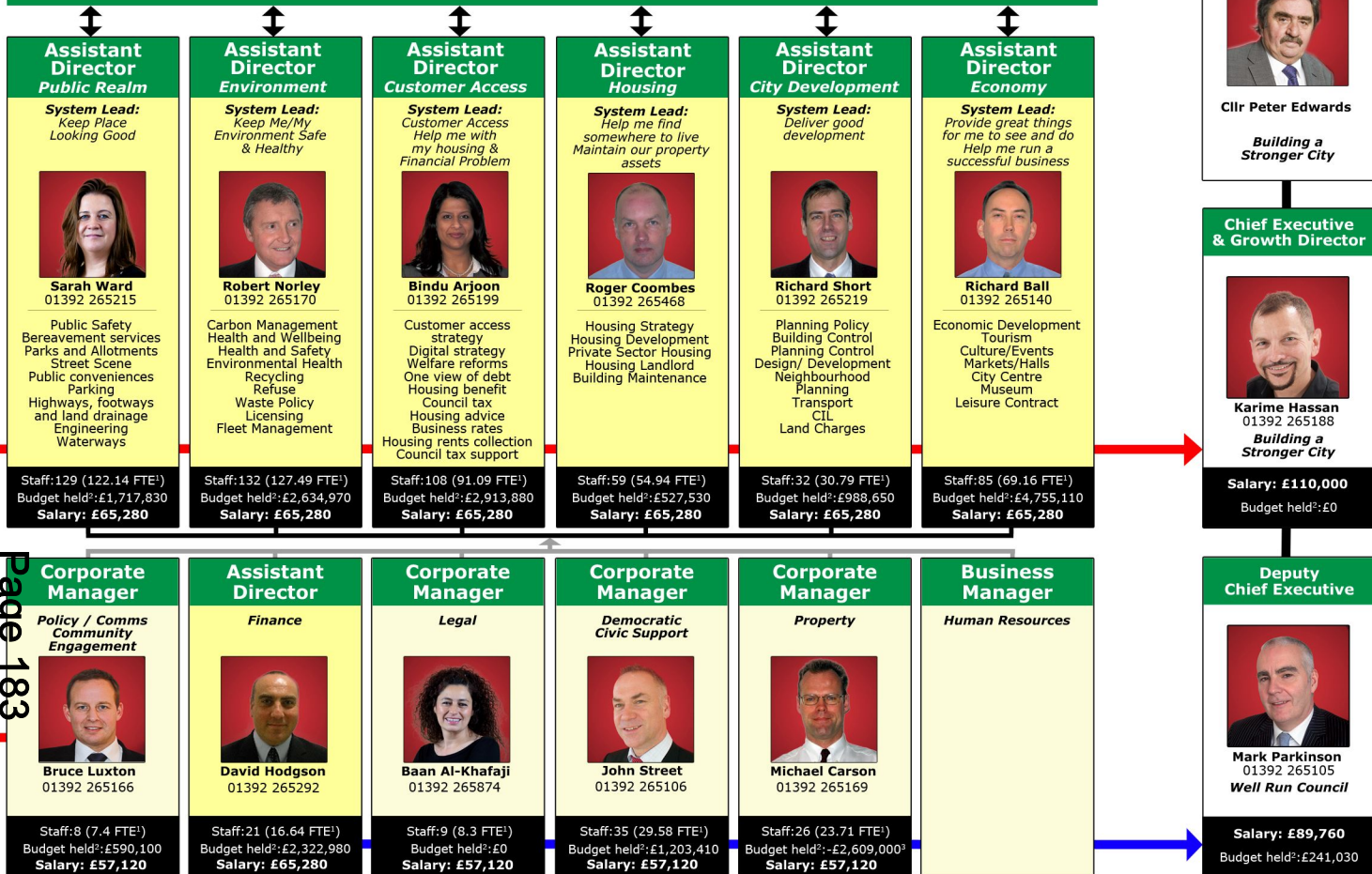
This allowance will be updated annually in line with the minimum wage and an additional uplift of the standard rate of tax.

**Payment of allowance will be made under the powers of Section 100 of the Local Government Act 2000 and Section 7 of Part 2 of the Local Authorities (Members Allowances) (England) Regulations 2003.*

December 2015

Strategic Management Team

Customers - Service Users



Page 183

¹ Full Time Equivalent ² Net budget includes income and expenditure budgets ³ This service generates a surplus, therefore the budget is a negative figure

This page is intentionally left blank

REPORT TO Executive

Date of Meeting: 9 February 2016

Report of: Corporate Manager, Democratic & Civic Support

Title: FREEDOM OF THE CITY

Is this a Key Decision?

No

Is this an Executive or Council Function?

Council

1.1 What is the report about?

- 1.1 This report sets out a proposal to offer the Freedom of the City to Mr Richard Atkins in recognition of his outstanding services in the field of college education in Exeter and the wider area, which has led to Exeter's name being known nationally as one which delivers an excellent college education to a very high standard.

2. Recommendations:

- 2.1 That in accordance with Section 249 of the Local Government Act 1972, an Extraordinary meeting of the Council be arranged, on the rising of the Ordinary meeting of the Council on 23 February 2016, to consider granting the Freedom of the City to Mr Richard Atkins.

3. Reasons for the recommendation:

- 3.1 Section 249 of the Local Government Act 1972, gives Councils the power to grant "Freedom of the City" to any individual who it feels has given eminent service to the City.
- 3.2 To this end, an Extraordinary meeting of the full Council must be convened to specifically consider this matter, with two thirds of those present, voting in favour.
- 3.3 If the recommendation contained in this report is accepted by The Executive and subsequently adopted by full Council, an Extraordinary meeting of the Council will therefore be organised immediately after the ordinary meeting of the Council scheduled for 23 February 2016, when Members will be asked to consider granting the Freedom of the City to Mr Richard Atkins.
- 3.4 The following nomination has been received in accordance with the following recently agreed criteria against which nominations would be considered:-
- 1. For those who have achieved national, international or world recognition for excellence in their particular field of expertise.**
 - 2. For those who have promoted Exeter during their career so as to significantly raise the profile of the City on a national, international or world basis.**

"Mr Richard Atkins has been Principal of Exeter College since 2002. During this time the College (which was the first tertiary college to be established in the UK in 1970)

was judged as outstanding by Ofsted in January 2014. The college has twice featured in The Sunday Times 100 Best Places to Work in the UK listings and has won several Association of Colleges' Beacon Awards for curriculum excellence. In 2012 the college was voted the UK's FE Provider of the Year by the Times Educational Supplement. Richard was also appointed as the President of the Association of Colleges in 2014 (the representative body for the 320 further education, sixth form and tertiary colleges in the UK) and was recently awarded the CBE for his services to further education.

Richard is an innovative, passionate and visionary educational leader who has, quite simply, had a transformative impact, both on the City of Exeter and on the life chances of the many thousands of people who have benefitted from his vision during his distinguished career in further education. "

3.5 Comparing this nomination against the above agreed criteria, it is considered that it can be recommended for approval.

3.6 In response to this nomination, Mr Atkins has stated:-

"I am absolutely delighted and flabbergasted to be offered the Freedom of the City of Exeter, this is a huge honour for me , my family and everyone at Exeter College. Please pass on my heartfelt thanks and gratitude to the Lord Mayor, Leader and Chief Executive of the Council. It is wonderful for me to see the College's work recognised in this way."

4. What are the resource implications including non financial resources.

4.1 Other than a small cost in preparing a suitable ceremonial scroll and hosting a small reception, there are no resource implications.

5. Section 151 Officer comments:

5.1 There are no additional financial implications contained in this report.

6. What are the legal aspects?

6.1 Section 249 of the Local Government Act 1972, gives Councils the power to grant "Freedom of the City" to any individual who it feels has given eminent service to the City.

7. Monitoring Officer's comments:

7.1 This report raises no issues for the Monitoring Officer.

8. Report details:

8.1 The Council is asked to consider bestowing the honour to Mr Richard Atkins in recognition of his achievement in putting Exeter very much on the national map during his term as Principal of Exeter College, including during his tenure as President of the Association of Colleges.

8.4 It is felt appropriate that Mr Atkins is awarded the honour now, in the light of the above reasons, particularly as he has announced his intention to retire in March 2016 and also to reflect the Council's on-going commitment to supporting and recognising outstanding individuals from within the City

9. How does the decision contribute to the Council's Corporate Plan?

9.1 This decision will help promote the City as a regional capital and one which supports those who support and promote the City as such.

10. What risks are there and how can they be reduced?

10.1 There are no risks associated with the proposals.

11. What is the impact of the decision on equality and diversity; health and wellbeing; safeguarding children, young people and vulnerable adults, community safety and the environment?

11.1 None applicable with this decision

12. Are there any other options?

12.1 The Council could decided not to make the award, although it is felt that this would be against the recently approved criteria.

John Street
Corporate Manager, Democratic & Civic Support

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

Contact for enquires:
Democratic Services (Committees)
Room 2.3
01392 265275

This page is intentionally left blank

EXETER CITY COUNCIL

REPORT TO: EXECUTIVE

DATE OF MEETING: EXECUTIVE – 9 FEBRUARY 2016

REPORT OF: ASSISTANT DIRECTOR CITY DEVELOPMENT

TITLE: SOUTH EAST DEVON JOINT HABITATS MITIGATION
EXECUTIVE COMMITTEE

Is this a Key Decision?

Yes

Is this an Executive or Council Function?

Council

1. What is the report about?

- 1.1 The purpose of this report is to obtain authority to establish the terms of reference and rules of procedure for the South East Devon Joint Habitats Mitigation Executive Committee (HMEC), the establishment of which was approved, in principle, by the Executive on the 7 October 2014 and then formally on 23 June 2015. This was subsequently approved by full Council on 28 July 2015.

2. Recommendations:

2.1 The Executive recommends to full Council that it:

- 2.1.1 Agrees to the establishment of a Joint Habitats Mitigation Executive Committee (HMEC) with East Devon District Council and Teignbridge District Council for the purpose of delivering habitat mitigation measures and which shall be governed in accordance with the Terms of Reference and Rules of Procedure attached in Appendix 1;
- 2.1.2 Agrees that all necessary powers (save for decisions relating to the compulsory purchase of land) are delegated to the HMEC to enable delivery of mitigation measures in accordance with the Conservation of Habitats and Species Regulations 2010;
- 2.1.3 Agrees that each authority operates its own scrutiny arrangements in order to scrutinise decisions of the HMEC. In Exeter, the Scrutiny Economy committee will scrutinise decisions of the HMEC;
- 2.1.4 Appoints the Portfolio Holder - City Development as Exeter City Council's nominated member of the HMEC;
- 2.1.5 Delegates authority to the Corporate Manager - Legal Services to make any further amendments to the Terms of Reference and Rules of Procedure for the HMEC as necessary to ensure effective working of the HMEC provided that the Solicitor to the Council of Teignbridge District Council and the Strategic Lead - Legal, Licensing and Democratic Services of East Devon District Council are in agreement with the proposed amendments;

- 2.1.6 Delegates authority to Exeter City Council's Section 151 officer to agree how and when and to whom payment of Exeter's share of the contribution to carry out the HMEC's resolutions is made;
- 2.1.7 Agrees that East Devon District Council will be responsible for administering the finances to support the implementation of the decisions of the HMEC (or to any officer taking delegated decisions on its behalf);
- 2.1.8 Delegates authority to Exeter City Council's Section 151 Officer to make arrangements for the Council to transfer funds obtained for mitigation measures from CIL and Section 106 Agreements for expenditure approved by the HMEC; and
- 2.1.9 Agrees that the administration of the HMEC shall rotate with the Chair and that East Devon District Council will Chair the HMEC during the first year. After the first year the Chairmanship will move to Exeter City Council and then Teignbridge District Council, returning to East Devon in the fourth year.

3. Reasons for the recommendation:

- 3.1 The reasons for the recommendation are to enable the implementation and establishment of the Terms of Reference and Rules of Procedure for the South East Devon Joint Habitats Mitigation Executive committee (HMEC). The HMEC will be established jointly with East Devon and Teignbridge District Council.
- 3.2 The establishment of this Joint Committee was approved by the Executive on 23 June 2015 and subsequently by full Council on 28 July 2015.

4. What are the resource implications including non-financial resources.

- 4.1 The European Site Mitigation Strategy identifies a suite of mitigation measures and provides indicative costs for them. Contributions are already being collected across Teignbridge, Exeter and East Devon. The joint approach is principally concerned with ensuring timely and effective mitigation for development. Mitigation will be proportionate to the assessed impacts of development and delivered where it will be most effective rather than with regard to administrative boundaries.
- 4.2 The proposed approach will have implications for future decisions on the use of Community Infrastructure Levy funding. The proposed approach, including the joint committee, will be resourced using funds from the contributions secured by the local authorities.

5. Section 151 Officer's comments:

- 5.1 The Section 151 Officer is satisfied with the proposed arrangements for administering the finances associated with the Joint HMEC.

6. What are the legal aspects?

- 6.1 It is a legal requirement that a local planning authority does not grant planning permission for any development that would negatively impact upon a protected

European Site, unless full mitigation is secured. The Mitigation Strategy identifies the required mitigation measures and the Joint Approach sets out the means to secure funding for these measures. The HMEC will be responsible for ensuring the delivery of the mitigation measures and so for ensuring that the obligations imposed by the Conservation of Habitats and Species Regulations 2010 (the Habitat Regulations) upon the Authorities are met. The Terms of Reference and Rules of Procedure set out in Appendix 1 ensure that the HMEC will meet the legal requirements for establishing such a committee as set out in Section 102 of the Local Government Act 1972 and associated Regulations.

- 6.2 East Devon District Council's preference is to establish a joint scrutiny committee. This proposal has not been accepted by Teignbridge District Council which will maintain its own scrutiny arrangements in line with the proposals set out in the original report to the Executive dated 23 June 2015.
- 6.3 It is sensible for Exeter City Council to similarly follow the recommendations in the original report to maintain its own independent scrutiny of the activities of the HMEC. Accordingly, the references in the attached documentation to a joint Scrutiny Committee have been removed.

7. Monitoring Officer's comments:

- 7.1 The establishment of a HMEC in itself raises no issue to concern the Monitoring officer.
- 7.2 Paragraph 8.6 of this report states that it is proposed by East Devon District Council that legal and financial support will be provided by East Devon District Council, rather than rotating with the Chair and the committee's administrative support on the basis that this will ensure a consistent and robust support framework to allow the HMEC to operate most effectively. The Monitoring Officer of each authority cannot and should not divest their responsibility to ensure that their respective Councils act lawfully. Accordingly Exeter City Council will consider and review in advance all legal advice provided to the HMEC.

8. Report details:

- 8.1 The Executive agreed on 23 June 2015 to set up a joint committee with East Devon District Council and Teignbridge District Council to ensure that appropriate mitigation measures in respect of sites of European importance (Exe Estuary SPA /Ramsar, Dawlish Warren SAC and East Devon Pebblebed Heaths SAC / SPA) are delivered across the three administrative areas. The background papers give more detail in terms of the evolution of this committee and the rationale for it.
- 8.2 When the matter was reported to the Executive in June 2015, the governance arrangements had not been properly scrutinised in order to ensure that they would work. One of the recommendations was tailored to ensure that prior to the committee being established that this review work would be carried out.
- 8.3 That review has now been completed and it is considered that the Terms of Reference previously endorsed were not sufficient to enable the business of the committee to be properly conducted. There was some lack of clarity in terms of the

remit for the committee, the procedures for meetings and a misunderstanding over how to deal with the powers between the Executive Committee and officers.

- 8.4 East Devon District Council's preference was to establish a joint scrutiny committee. However, Teignbridge District Council's group leaders were consulted on this issue and considered that it was unnecessary to have a shared scrutiny committee. They considered that scrutiny of the HMEC should be subsumed within Teignbridge District Council's existing Overview and Scrutiny Committee function. Teignbridge's view was that this model could be reviewed periodically and, in the event that there was a future agreement to have a joint scrutiny committee, then it could be established at some future date upon agreement by each authority.
- 8.5 East Devon has given its approval to set up the HMEC and the Joint Scrutiny Committee. Teignbridge District Council has given its approval to set up the HMEC. Teignbridge has not agreed to a Joint Scrutiny Committee. Given the lack of agreement between the authorities in relation to scrutiny arrangements and the need for each authority to maintain scrutiny arrangements in relation to the activities of the joint habitats mitigation committee, Exeter City Council will similarly maintain its own independent scrutiny of the activities of the HMEC. The Terms of Reference and Rules of Procedure at Appendix 1 have been amended to remove references to a joint scrutiny committee and to maintain scrutiny arrangements within each authority.
- 8.6 It has been proposed by East Devon District Council that legal and financial support should be provided by East Devon District Council, rather than rotating with the Chair and the committees' administrative support. Exeter City Council's Monitoring officer considers that legal advice on any issue arising must remain the responsibility of the Monitoring Officer of each respective authority. Accordingly Exeter City Council will consider and review in advance all legal advice provided to the HMEC. This approach will also ensure that Exeter City Council's legal interests are protected in relation to the Exe Estuary.
- 8.7 The European Site Mitigation Strategy identifies a suite of mitigation measures and provides indicative costs for them. In accordance with Executive's resolution of October 2014, contributions are already being collected across Teignbridge, Exeter and East Devon. The joint approach is principally concerned with ensuring timely and effective mitigation for development. Mitigation will be proportionate to the assessed impacts of development and delivered where it will be most effective rather than with regard to administrative boundaries.
- 8.8 The recommendation is for the Portfolio Holder - City Development to be appointed to the HMEC.

9. How does the decision contribute to the Council's Corporate Plan?

- 9.1 The joint committee would make decisions relating to conserving natural habitats and wildlife that would contribute towards implementation of the Green Infrastructure Strategy.

10. Time Scale for Committee Formation and initial Meetings

- 10.1 Authority to establish the joint committee has been sought and approved in Teignbridge and East Devon, save that Teignbridge District Council has not approved the Joint Habitats Scrutiny Committee. This accords with Exeter City

Council's intention to retain separate Scrutiny arrangements in relation to the activities of the joint committee. It is proposed that the protocol attached at Appendix 1 will govern the activities of the joint committee together with Scrutiny arrangements remaining with each authority.

- 10.2 In February 2016 the intention is that the inaugural meeting of the new Joint Committee will be held. This will be an opportunity for the new committee members to meet the relevant officers and for Natural England/council officers to explain the legislation, evidence, mitigation measures and Joint Approach.

11. What is the impact of the decision on equality and diversity; health and wellbeing; safeguarding children, young people and vulnerable adults, community safety and the environment?

- 11.1 It is anticipated that the mitigation measures will have small beneficial effects for some groups, by provision of more easily accessible open space. Additional impact assessments may be needed for specific projects considered by the HMEC. Officers will assist in the preparation of these assessments.

Assistant Director City Development

Contact for enquires:
Democratic Services (Committees)
Room 2.3
01392 265275

This page is intentionally left blank

South East Devon Joint Habitat Regulations Joint Committees

Terms of Reference and Rules of Procedure

1. Introduction

- 1.1 The Delegation of Functions and Rules of Procedures set out in this document regulate the proceedings of the Habitat Mitigation Executive Committee (HMEC) which was created by East Devon District Council, Exeter City Council and Teignbridge District Council as the South East Devon Habitat Regulations Joint Committee to govern delivery of mitigation measures as set out in the South East Devon European Site Mitigation Strategy and the emerging Pebblebed Heaths Visitor Management Plan.
- 1.2 The South East Devon European Site Mitigation Strategy and the emerging Pebblebed Heaths Visitor Management Plan are required to ensure timely and effective mitigation arising from new development with the potential to impact three sites of European wildlife importance, namely the;

Exe Estuary Special Protection Area and Ramsar Site,
Dawlish Warren Special Area of Conservation, and
East Devon Pebblebed Heaths Special Area of Conservation and Special Protection Area
- 1.3 The Councils have delegated all the necessary decision making powers to enable the Habitat Mitigation Executive Committee to operate so as to deliver the identified mitigation measures.
- 1.4 In carrying out its role the Habitat Mitigation Executive Committee shall, where necessary, act as a competent authority for the purposes of the Conservation of Habitats and Species Regulations 2010.
- 1.5 East Devon District Council will be responsible for holding and administering developer contributions and community infrastructure levy receipts and to provide advice and guidance on all financial matters. Legal advice and guidance will be provided by each authority.
- 1.6 In this document the following words have the following meanings:

“Chief Executive” means the Chief Executive of a Council and together the
“Chief Executives”

“Committee” means the HMEC

“Council” means East Devon District Council, Exeter City Council or
Teignbridge District Council as the context so permits and together “the
Councils”

“Executive” means the Executive or Cabinet of the Councils

“Proper Officer” means the Democratic Services Manager or Corporate
Manager, Democratic and Civic Support

“Relevant Council” means the Council at which the next Committee meeting
will be held

APPENDIX

Section A – Delegation of functions

1. Habitats Mitigation Executive Committee

The Councils have appointed the HMEC which will make the operational decisions on behalf of the Councils to implement and deliver measures to mitigate against the impact of development pressures. Those decisions will be taken in accordance with a 5 year Delivery Programme and the Business Plan, both of which the HMEC shall agree at its first meeting. Thereafter the 5 year Delivery Programme shall be reviewed every 5 years and the Business Plan annually.

Other functions that are within the remit of the HMEC include:

- Monitoring the implementation and effectiveness of the mitigation measures and agree changes where necessary.
- Ensure that there is a simple and transparent audit trail linking S106 and CIL financial allocations for European site mitigation, and the works and projects that deliver mitigation. Allocate budget accordingly, taking account of other arising mitigation opportunities.
- Secure the cooperation of all stakeholders.
- Monitor risks, progress and effectiveness of delivery.
- Identify, lobby for and secure complementary funds.
- Monitor and review the delivery of the South-East Devon European Site Mitigation Strategy (and when adopted the Pebblebed Heaths Visitor Management Plan) quarterly and publish a progress report annually.
- Formally advise on any emerging requirements for refreshing the evidence base used to determine the Strategy (and when adopted the Plan).
- To include reviews of developer contribution charges in line with inflation/index linking and funding mitigation expenditure in perpetuity.
- Establish and maintain a financial model that ensures delivery of mitigation in perpetuity.
- Liaise between partner organisations and share best practice.
- Ensuring that a record is kept of planning proposals which are agreed through the planning process to satisfy their own mitigation requirements (and as such do not form part of the mitigation Strategy).

Section B – Rules of Procedure

Contents

1. General	16. Minutes
2. Ordinary Meetings	17. Record of attendance
3. Extraordinary Meetings	18. Exclusion of public
4. Frequency, time and place of meetings	19. Members' conduct
5. Notice of and Summons to meetings	20. Disturbance by the public
6. Chairing of meetings	21. Suspension and amendment of the Rules
7. Committee Composition	
8. Quorum	22. Motions affecting Staff
9. Voting	23. Call-in
10. Questions and statements by public	24. Inspection of documents
11. Questions by members	25. Inspection of land, premises
12. Motions on notice	26. Proceedings at meetings
13. Motions without notice	27. Attendance by members
14. Rules of debate	28. Access to Information
15. Previous decisions and motions	29. Key Decisions

1. General

- 1.1 These Rules of Procedure (Rules) provide one set of bespoke procedural rules to govern the meetings of the Committees established to govern and scrutinise delivery of habitat mitigation as set out in the Introduction and Section A above.
- 1.2 The Chairman of the Committee's view on the interpretation of these Rules is binding at the particular Committee.
- 1.3 These Rules may be reviewed at any time and any amendments must be made in accordance with the delegated authorities given by the Councils.

2. Ordinary Meetings

- 2.1 Ordinary meetings of the Committees will:
 - (i) deal with any business required by statute to be done before any other business;

- (ii) approve the minutes of the last meeting;
- (iii) deal with business expressly required by statute to be done;
- (iv) receive any communications or announcements from the Chairman or the Councils;
- (v) deal with any business from the last meeting;
- (vi) consider motions;
- (vii) consider any other business specified in the summons to the meeting;

In addition to (i) – (vii) above the HMEC shall:

- (vii) receive reports from the Delivery Officer and / or the Officer Working Group;
- (ix) consider referrals made to it by the HMSC;
- (x) receive questions on the operational matters of the HMEC from members of the Councils and members of the public and provide answers to those questions

In addition to (i) – (vii) above each authority's relevant Scrutiny Committee shall:

- (xi) receive reports on performance from the HMEC; and
- (xii) report to each Executive Committee of the Councils annually on the performance of the HMEC.

2.2 The Committees may vary the order of business so as to give precedence to any business. However such a variation shall not displace business falling under item (i) in this rule.

3. Extraordinary meetings

3.1 Calling extraordinary meetings

Those listed below may request a meeting of either of the Committees in addition to ordinary meetings:

- Any of the Executives of the Councils by resolution;
- the Chairman of any of the Councils
- the Monitoring Officer of any of the Councils having first notified the Chairman of the Councils; and
- any five Members of any of the Councils if they have signed a requisition presented to the Chairman of their respective Council and he/she has refused to call a meeting or has failed to call a meeting within seven days of the presentation of the requisition.

3.2 Business

At an extraordinary meeting of the HMEC the business to be conducted shall be limited to a single item in the form of a motion full details of which shall be set out on the summons calling the meeting.

4. Frequency, time and place of meetings

- 4.1 In the first year of operation of the HMEC there shall be at least four meetings of the HMEC.
- 4.2 From the second year of operation, the HMEC can determine the frequency of its meetings following consideration of the HMEC's projected workload. Extraordinary meetings of the HMEC can be called in accordance with Rule 3 above.
- 4.3 Meetings shall take place at the offices of the HMEC's then Chairman;
- 4.4 The time and place of meetings will be determined by the Chief Executive of the Relevant Council and notified in the summons.

5. Notice of and summons to meetings

- 5.1 The Chief Executive of the Relevant Council will give notice to the public of the time and place of any meeting in accordance with the Access to Information Rules. At least five clear days before a meeting, the Chief Executive will send a summons signed by him or her by post to every member of the relevant Committee or leave it at their usual place of residence. The summons will give the date, time and place of each meeting and specify the business to be transacted, and will be accompanied by such reports as are available.

6. Chairing of meetings

- 6.1 The Chair of the HMEC will be appointed for a maximum period of 12 months rotating thereafter between the Councils. For the first year the Chair will be from East Devon District Council and then Exeter City Council and then Teignbridge District Council. Where there is more than one representative from a particular Council on a Committee the Chair will be selected from the members of that Council.
- 6.2 The Chairman does not have a casting vote.

7. Committee Composition

7.1 HMEC

The HMEC shall comprise;

- three members one from each of the Councils, each with an equal vote and shall where possible be the Portfolio Holder responsible for any of sustainable development, strategic planning, environment or similar function
- one person from each of the bodies listed below all of which shall be non-voting positions;
 - Natural England
 - Green Infrastructure Board

8. Quorum

8.1 For the HMEC the quorum is the three Council members or their nominees.

8.2 During any meeting, if the Chairman declares there is not a quorum present, then the meeting will adjourn immediately. Remaining business will be considered at a time and date fixed by the Chairman or when the meeting becomes quorate again. If he/she does not fix a date, the remaining business will be considered at the next ordinary meeting.

9. Voting

9.1 Voting will be taken by a show of hands.

9.2 Each member has an equal vote.

9.3 The Chairman does not have a casting vote.

- 9.4 For a decision taken at the HMEC, a decision must be unanimous.
- 9.5 There will be no opportunity for a ballot vote.
- 9.6 If the meeting so decides (prior to a vote being taken) the names for and against the motion or amendment or abstaining from voting will be taken down in writing and entered into the minutes.
- 9.7 Where any member requests it immediately after the vote is taken, their vote will be so recorded in the minutes to show whether they voted for or against the motion or abstained from voting. (This is a mandatory standing order under the Local Authorities (Standing Orders) Regulations)

10. Questions and statements by the public

- 10.1 For the HMEC, subject to Rule 10.2, there shall be a fifteen minute period at the commencement of Committee meetings for members of the public to ask questions. Each individual questioner exercising a right during the public question time to be restricted to speaking for a total of three minutes.
- 10.2 Where a question does not relate to an agenda item, and a response is required from a member or an officer, the question must be submitted in writing to the Proper Officer of the Relevant Council not less than two working days before the meeting to give time for a response to be prepared. Where such advance notice is given, the questioner may ask a supplementary question at the meeting, if it is relevant to the original question.
- 10.3 The Chairman of any meeting has the right and discretion to control question time to avoid disruption, repetition and wasting of meeting time.

11. Questions by Members

- 11.1 A member of the Councils may ask the HMEC any question without notice upon an item of the report to the HMEC when that item is being received or under consideration.
- 11.2 A member of any of the Councils may ask a question on notice relating to any function of the HMEC not to be considered at the Committee meeting provided that they have given at least two working days' notice in writing of the question to the Proper Officer or, where the question relates to urgent matters, they have the consent of the Chairman to whom the question is to be put and the content of the question is given to the Proper Officer of their Council by 9.15am on the day of the meeting.
- 11.3 An answer may take the form of:

- (a) a direct oral answer;
- (b) where the desired information is in a publication of the Council or other published work, a reference to that publication; or
- (c) where the reply cannot conveniently be given orally, a written answer circulated later to the questioner.

11.4 A member asking a question under Rule 11.2 may ask one supplementary question without notice of the member to whom the first question was asked. The supplemental question must arise directly out of the original question or the reply.

12. Motions on notice

12.1 Notice

Except for motions which can be moved without notice under Rule 11, written notice of every motion, signed by at least five members of a Council, must be delivered to that Council's Proper Officer not later than ten working days before the date of the meeting. These will be entered in a book open to public inspection.

12.2 Motion set out in agenda

Motions for which notice has been given will be listed on the agenda in the order in which notice was received, unless the member giving notice states, in writing, that they propose to move it to a later meeting or withdraw it.

12.3 Clarification of motion on notice

Where a motion on notice has been submitted in accordance with this Rule, and prior to the dispatch of the agenda, the Chief Executive of the relevant Council may seek to clarify the purpose and/or wording of such a motion (such action may include recommending its rewording) so as to ensure that any such motion, if approved, is compliant with the Committee's legal and administrative powers.

12.4 Referral of motion to relevant committee

Where the wording of the motion is not immediately relevant to the business of the Committee, the presumption is that it will be referred to the relevant Committee in the first instance to enable research to be properly carried out into the issue to facilitate a relevant and informed debate.

12.5 Committee's response to motion

The Chairman, at his discretion, may invite any member (or his nominee) or officer to respond to a motion or a question.

12.6 Scope

Motions must be about matters for which the Committee has a responsibility.

13. Motions without notice

The following motions may be moved without notice:

- (a) in relation to the accuracy of the minutes;
- (b) to change the order of business in the agenda;
- (c) to refer something to an appropriate body or individual;
- (d) to appoint a committee or member arising from an item on the summons for the meeting;
- (e) to receive reports or adoption of recommendations of Committees or officers and any resolutions following from them;
- (f) to withdraw a motion;
- (g) to amend a motion;
- (h) to proceed to the next business;
- (i) that the question be now put;
- (j) to adjourn a debate;
- (k) to adjourn a meeting;
- (l) to suspend a particular procedure Rule;
- (m) to exclude the public and press in accordance with the Access to Information Rules;
- (n) to not hear further a member named under Rule 19.3 or to exclude them from the meeting under Rule 19.4; and
- (o) to give the consent of the Council where its consent is required by these Rules.

14. Rules of debate

14.1 No speeches until motion seconded

No speeches may be made after the mover has moved a proposal and explained the purpose of it until the motion has been seconded.

14.2 Right to require motion in writing

Unless notice of the motion has already been given, the Chairman may require it to be written down and handed to him/her before it is discussed.

14.3 Secunder's speech

When seconding a motion or amendment, a member may reserve their speech until later in the debate.

14.4 Content and length of speeches

Speeches must be directed to the question under discussion or to a personal explanation or point of order. No speech may exceed five minutes without the consent of the Chairman.

14.5 When a Member may speak again

A member who has spoken on a motion may not speak again whilst it is the subject of debate, except:

- (a) to speak once on an amendment moved by another Member;
- (b) to move a further amendment if the motion has been amended since he/she last spoke;
- (c) if his/her first speech was on an amendment moved by another Member, to speak on the main issue (whether or not the amendment on which he/she spoke was carried);
- (d) in exercise of a right of reply;
- (e) on a point of order; and
- (f) by way of personal explanation.

14.6 Amendments to Motions

- (a) An amendment to a motion must be relevant to the motion and will either be:

- (i) to refer the matter to an appropriate body or individual for consideration or reconsideration;
- (ii) to leave out words;
- (iii) to leave out words and insert or add others; or
- (iv) to insert or add words.

as long as the effect of (ii) to (iv) is not to negate the motion.

- (b) Only one amendment may be moved and discussed at any one time. No further amendment may be moved until the amendment under discussion has been disposed of.
- (c) If an amendment is not carried, other amendments to the original motion may be moved.
- (d) If an amendment is carried, the motion as amended takes the place of the original motion. This becomes the substantive motion to which any further amendments are moved.

- (e) After an amendment has been carried, the chairman will read out the amended motion before accepting any further amendments, or if there are none, put it to the vote.

14.7 Alteration of motion

- (a) A member may alter a motion of which he/she has given notice with the consent of the meeting. The meeting's consent will be signified without discussion.
- (b) A member may alter a motion that he/she has moved without notice with the consent of both the meeting and the seconder. The meeting's consent will be signified without discussion.
- (c) Only alterations that could be made as an amendment may be made.

14.8 Withdrawal of motion

A member may withdraw a motion that he/she has moved with the consent of both the meeting and the seconder. The meeting's consent will be signified without discussion. No member may speak on the motion after the mover has asked permission to withdraw it unless permission is refused.

14.9 Right of reply

- (a) The mover of a motion has a right to reply at the end of the debate on the motion, immediately before it is put to the vote.
- (b) If an amendment is moved, the mover of the original motion has the right of reply at the close of the debate on the amendment, but may not otherwise speak on it. The proposer of the amendment shall also be entitled to reply
- (c) A member exercising a right of reply shall not introduce new matter.

14.10 Motions that may be moved during debate

When a motion is under debate, no other motion may be moved except the following procedural motions:

- (a) to withdraw a motion;
- (b) to amend a motion;
- (c) to proceed to the next business;
- (d) that the question be now put;
- (e) to adjourn a debate;
- (f) to adjourn a meeting;
- (g) to exclude the public and press in accordance with the Access to Information Rules; and

- (h) to not hear further a member named under Rule 19.2 or to exclude them from the meeting under Rule 19.3.

14.11 Closure motions

- (a) A member may move, without comment, the following motions at the end of a speech of another member:
 - (i) to proceed to the next business;
 - (ii) that the question be now put;
 - (iii) to adjourn a debate; or
 - (iv) to adjourn a meeting.
- (b) If a motion to proceed to next business is seconded and the Chairman thinks the item has been sufficiently discussed, he or she will give the mover of the original motion a right of reply and then put the procedural motion to the vote.
- (c) If a motion that the question be now put is seconded and the Chairman thinks the item has been sufficiently discussed, he/she will put the procedural motion to the vote. If it is passed he/she will give the mover of the original motion a right of reply before putting his/her motion to the vote.
- (d) If a motion to adjourn the debate or to adjourn the meeting is seconded, and the Chairman thinks the item has not been sufficiently discussed or cannot reasonably be so discussed on that occasion, he/she will put the procedural motion to the vote without giving the mover of the original motion the right of reply.

14.12 Point of order

A member may raise a point of order at any time. The Chairman will hear them immediately. A point of order may only relate to an alleged breach of these Rules of Procedure or the law. The member must indicate the rule or law and the way in which he/she considers it has been broken. The ruling of the Chairman on the matter will be final.

14.13 Personal explanation

A member may make a personal explanation at any time. A personal explanation may only relate to some material part of an earlier speech by the member that may appear to have been misunderstood in the present debate. The ruling of the Chairman on the admissibility of a personal explanation will be final.

15. Previous decisions and motions

15.1 Motion to rescind a previous decision

A motion or amendment to rescind a decision made at a Committee meeting within the past six months cannot be moved unless the notice of motion is signed by at least 15 members, from a Council or the Councils.

15.2 Motion similar to one previously rejected

A motion or amendment in similar terms to one that has been rejected at a Committee meeting in the past six months cannot be moved unless the notice of motion or amendment is signed by at least 15 members from a Council or the Councils. Once the motion or amendment is dealt with, no one can propose a similar motion or amendment for six months.

16. Minutes

16.1 Signing the minutes

The Chairman will sign the minutes of the proceedings at the next suitable meeting. The Chairman will move that the minutes of the previous meeting be signed as a correct record. The only part of the minutes that can be discussed is their accuracy.

16.2 There is no requirement to sign minutes of previous meeting at an extraordinary meeting.

16.3 Where in relation to any meeting, the next meeting for the purpose of signing the minutes is a meeting called under Paragraph 3 of Schedule 12 to the Local Government Act 1972 (an Extraordinary Meeting), then the next following meeting (being a meeting called otherwise than under that paragraph) will be treated as a suitable meeting for the purposes of Paragraph 41(1) and (2) of Schedule 12 relating to signing of minutes. This is a mandatory standing order under the Local Authorities (Standing Orders) Regulations

17. Record of attendance

All members present during the whole or part of a meeting must sign their names on the attendance sheets before the conclusion of every meeting to assist with the record of attendance.

18. Exclusion of public

Members of the public and press may only be excluded either in accordance with Rule 28 (Access to Information Rules) or Rule 20 (Disturbance by Public).

19. Members' conduct

19.1 Chairman standing

When the Chairman stands during a debate, any member speaking at the time must stop and sit down. The meeting must be silent.

19.2 Member not to be heard further

If a member persistently disregards the ruling of the Chairman by behaving improperly or offensively or deliberately obstructs business, the Chairman may move that the member be not heard further. If seconded, the motion will be voted on without discussion.

19.3 Member to leave the meeting

If the member continues to behave improperly after such a motion is carried, the Chairman may move that either the member leaves the meeting or that the meeting is adjourned for a specified period. If seconded, the motion will be voted on without discussion.

19.4 Disclosable Pecuniary Interest

Unless a dispensation has been granted, a member shall not participate in any discussion of, or vote on, any matter in which they have a Disclosable Pecuniary Interest and having first declared to the meeting the existence and nature of that interest shall withdraw from the room where the meeting is being held at the commencement of the consideration of that business, or (if later) the time at which the interest becomes apparent.

Where the Disclosable Pecuniary Interest is sensitive (as defined on the Member Code of Conduct of the respective Councils) the member need not disclose the nature of that interest but must still state there is a Disclosable Pecuniary Interest and otherwise follow the requirements of the previous paragraph.

19.5 General disturbance

If there is a general disturbance making orderly business impossible, the Chairman may adjourn the meeting for as long as he/she thinks necessary.

19.6 Code of Conduct

Appointed members to the Committee remain subject to the adopted Code of Conduct of their respective Councils

20. Disturbance by public

20.1 Removal of member of the public

If a member of the public interrupts proceedings or is found to be recording the proceedings of the meeting (by video or otherwise) in a manner that is

disruptive to business, the Chairman will warn the person concerned. If they continue to interrupt or record the meeting contrary to the Chairman's instructions, the Chairman will order their removal from the meeting room and the forfeiture of the unauthorised recording.

20.2 Clearance of part of meeting room

If there is a general disturbance in any part of the meeting room open to the public, the Chairman may call for that part to be cleared.

21. **Suspension and amendment of the Rules**

21.1 Suspension

All of these Rules except Rule 9.7 and 16.3 may be suspended by motion on notice or without notice if at least one half of the whole number of members of the Committee are present. Suspension can only be for the duration of the meeting.

21.2 Amendment

Any motion to add to, vary or revoke these Rules will, when proposed and seconded, stand adjourned without discussion to the next ordinary meeting of each of the Councils.

22. **Motions affecting Staff**

If any question arises at a meeting of the Committee to which the Local Government Act 1972 applies by virtue of Section 100(A)(4) concerning the appointment, promotion, dismissal, salary, superannuation or conditions of service, or as to the conduct of any person employed by the Councils, such question shall not be the subject of discussion until the Committee has decided whether or not the power of exclusion of the public under Section 100(A)(4) of the Local Government Act 1972 shall be exercised.

23. **Call-in**

23.1 A decision is made by the HMEC but the decision does not come into effect until a Call-in period has elapsed.

23.2 Within two working days of the decision being made, the Proper Officer (which in this context means the Proper Officer of the Council whose members have exercised the power of call-in) will notify all members of the Councils of the decision. The notice will include the date of the notification and the date the decision will come into effect if there is no Call-in. The "effective date" of the decision which will be 09.00 am on the day after the expiry of three clear working days from the notification to members (Saturdays, Sundays and Bank

Holidays are excluded). For example, in respect of a decision made by the HMEC on a Wednesday, notification will be given to all members by Friday of the same week and the effective date of the decision will be 09.00 am on the following Thursday.

- 23.3 A request for a call-in of the decision must be received by the Proper Officer between the date of notification to members and the effective date of the decision.
- 23.4 For the call-in to be valid, the request must comply with the respective authorities call-in procedures.
- 23.5 If referred to the HMEC, the HMEC shall consider the concerns, amending the decision or not, before adopting a final decisions.

Urgent Decisions

- 23.6 Urgent decisions shall be excluded from the call-in process. What constitutes an urgent decision will be agreed between the Chief Executives and the voting members of the HMEC and the Chairman of each authority's relevant Scrutiny Committee. The reason why the decision was urgent shall be recorded.

Referral to Councils

- 23.7 When considered by each authority's relevant Scrutiny Committee, the matter may be referred back to the HMEC for further consideration or in exceptional circumstances, i.e. a matter of significance for the Councils affecting the strategic importance of habitat mitigation, referred to the Councils for further consideration and referral back to the HMEC. Whether the matter is considered exceptional will be agreed between the Chief Executives and the voting members of the HMEC and the Chairman of each authority's relevant Scrutiny Committee. When considered by the Councils, the matter will need to go back to the HMEC in the form of a report with recommendations Chairmen of each of the Council's relevant Scrutiny Committee.

Limit on number of call-ins

- 23.8 A matter which has been the subject of a call-in may not be the subject of a second call-in.

24. Inspection of documents

- 24.1 A member of the Council may for the purposes of his duty as a member but not otherwise inspect any document that contains material relating to any business to be transacted, or which has been considered, at a meeting of the Committee. If copies are available they shall be supplied on request.
- 24.2 A member shall not knowingly inspect and shall not call for a copy of any document relating to a matter in which he is professionally interested; or has a Disclosable Pecuniary Interest within the meaning of the Code of Conduct for members.
- 24.3 This Rule shall not preclude a Chief Executive or Solicitor from declining to allow inspection of any document which is or in the event of legal proceedings would be protected by privilege arising from the relationship of solicitor and client or where it appears to the Chief Executive that a document discloses exempt information of a description set out in Section 100F(2) of the Local Government Act 1972.
- 24.4 All minutes of the Committees shall be open for the inspection of any member of the Councils during office hours.

25. Inspection of land, premises etc.

A member of a Council unless authorised to do so by a Council or Committee, shall not have the right to inspect any lands or premises which the Councils have the right or duty to inspect, or enter upon or issue any order respecting any works which are being carried out by or on behalf of the Councils.

26. Proceedings at meetings

- 26.1 No person shall disclose "confidential information" or "exempt information" in any circumstances. However this Rule shall not forbid disclosure of the resolution or any recommendation which has been made or other contents of the relevant minute.
- 26.2 In the event of any member disclosing such information, he/she shall be liable to investigation by their Council's Monitoring Officer and report to the Standards Committee.

27. Attendance when not a Committee Member

- 27.1 A member who has proposed a motion which has been referred to a Committee shall have notice of the meeting of the Committee at which it is proposed to consider the motion, and if he attends, shall have an opportunity of explaining it.
- 27.2 A member of the Council may attend all proceedings of the Committees.

- 27.3 A member who wishes to raise any matter appropriate to a Committee of which he is not a member, may do so by giving notice in writing to the Proper Officer of their Council at least two clear days before the next ordinary meeting of the appropriate Committee. The member may also attend a special meeting if the matter in which he is interested is to be discussed by that special meeting. Such notice shall contain particulars of the matter that they wish to raise. They shall then have the right to explain and discuss the matter.
- 27.4 Any member attending a Committee meeting of which he is not a member shall not be able to propose or second any motion nor to vote at that meeting. Except as otherwise provided in this Rule they shall not be entitled to speak at that meeting (except with the consent of the Chairman).

28. Access to Information

28.1 Additional Rights to Information

These Rules do not affect any more specific rights to information afforded by law.

28.2 Rights to Attend Meetings

Members of the public may attend all public meetings subject only to the exceptions in these Rules.

28.3 Notices of Meeting

At least five clear days' notice will be given of any meeting by posting details of the meeting at the Councils' offices and placed on the Councils' websites.

28.4 Access to Agenda and Reports before the Meeting

The Council hosting the Committee meeting will make copies of the agenda and reports open to the public available for inspection at the designated office at least five clear working days before the meeting and on its website. If an item is added to the agenda later, the revised agenda (where reports are prepared after the summons has been sent out, the designated officer for the Council shall make each such report available to the public as soon as the report is completed and sent to members) will be open to inspection for the time the item was added to the agenda.

28.5 Supply of Copies

The Council hosting the meeting will supply copies of:

- (i) any agenda and reports which are open to public inspection;
- (ii) any further statements or particulars necessary to indicate the nature of the items in the agenda; and
- (iii) if the Chief Executive or Monitoring Officer of the Council hosting the Committee meeting think fit, copies of any other documents supplied to members in connection with an item to any person on payment of a charge for postage and any other costs.

28.6 Access to minutes etc. after the meeting

The Council which hosted the Committee meeting will make available copies of the following for six years after a meeting:

- (i) the minutes of the meeting or records of decisions taken, together with reasons, for all meetings of the Committee, excluding any part of the minutes of proceedings when the meeting was not open to the public or which disclose exempt or confidential information;
- (ii) a summary of any proceedings not open to the public where the minutes open to inspection would not provide a reasonably fair and coherent record;
- (iii) the agenda for the meeting; and
- (iv) reports relating to items when the meeting was open to the public.

28.7 Background Papers

List of background papers

The proper officer of the Council hosting the Committee meeting will set out in every report a list of those documents (called background papers) relating to the subject matter of the report which in his/her opinion:

- disclose any facts or matters on which the report or an important part of the report is based; and
- which have been relied on to a material extent in preparing the report but does not include published works or those which disclose exempt or confidential information.

29. Key Decisions

29.1 A “Key Decision” means a decision of the HMEC which is likely:

- (a) to result in the Committee or the Councils incurring expenditure which is, or the making of savings which are, significant having regard to the Committee’s or the Councils’ budgets for the service or function to which the decision relates; or
- (b) to be significant in terms of its effects on communities living or working in an area comprising two or more wards in any of the Councils’ areas;

29.2 In accordance with Section 38 of the Local Government Act 2000, in determining the meaning of “significant” regard shall be had to any guidance for the time being issued by the Secretary of State

29.3 A decision taker may only make a key decision in accordance with the requirements of these Rules.

29.4 Only the HMEC may take Key Decisions.

29.5 The HMEC shall publish a forward plan of anticipated Key Decisions.

29.6 Notice of Key Decision

Subject to the general exception and urgency provisions below, no Key Decision may be taken unless:

- (i) a notice (called here a "Notice of Key Decision") has been published in connection with the matter in question;
- (ii) at least 28 clear days have elapsed since the publication of the Notice of Key Decision; and
- (iii) where the decision is to be taken at a meeting of the HMEC notice of the meeting has been given in accordance with Rule 5 (notice of meetings).

29.7 Contents of Notice of Key Decision

The Notice of Key Decision will state that a key decision is to be taken by the HMEC and it will describe the following particulars:

- (i) the matter in respect of which the decision is to be made;
- (ii) the date on which, or the period within which, the decision is to be made;
- (iii) a list of the documents submitted to the decision maker for consideration in relation to the matter;
- (iv) the address from which, subject to any prohibition or restriction on their disclosure, copies of, or extracts from, any document listed is available;
- (v) that other documents relevant to those matters may be submitted to the decision maker; and
- (vi) procedure for requesting details of those documents (if any) as they become available.

29.8 Publication of the Notice of Key Decision

The Notice of Key Decision must be made available for inspection by the public at the offices of the Relevant Council of the next HMEC meeting at which the Key Decision is to be made.

29.9 Exempt information need not be included in a Forward Plan and confidential information cannot be included.

29.10 The Forward Plan

The Councils are not required by law to publish a forward plan. However, the Notice of Key Decision published by the relevant Council set out not just details of specific key decisions, but also details of key decisions over a four month period (including important decisions to be made by the HMEC).

29.11 General Exception

If a Notice of Key Decision has not been published, then subject to Rule 29.13 (special urgency), the decision may still be taken if:

- (i) the decision must be taken by such a date that it is impracticable to publish a Notice of Key Decision;
- (ii) the Proper Officer of the relevant Council has informed the Chair of the relevant Scrutiny Committee meeting the matter about which the decision is to be made;
- (iii) the Proper Officer of the relevant Council has made copies of that notice available to the public at the offices of the relevant Council and on the Councils' websites; and
- (iv) at least five clear days have elapsed since the Proper Officer complied with 29 (ii) and 29 (iii)

29.12 As soon as reasonably practicable after the Proper Officer of the relevant Council has complied with Rule 29.11, they must make available at the Councils' offices and publish on the Councils' websites the reasons why compliance with issuing a Notice of Key Decision was impractical.

29.13 Special Urgency

If by virtue of the date by which a Key Decision must be taken Rule 29.11 (general exception) cannot be followed, then the Key Decision can only be taken if the Chief Executive of the Relevant Council obtains the agreement of the Chair of the next Scrutiny Committee meeting of the relevant authority.

29.14 As soon as reasonably practicable after the Chief Executive of the relevant Council has obtained agreement under Rule 29.13 they must make available at the Councils' offices and publish on the Councils' websites the reasons why the meeting is urgent and cannot reasonably be deferred.

-REPORT TO EXECUTIVE COMMITTEE & PLANNING MEMBER WORKING GROUP

Date of Meeting: 24th November 2015 (PMWG) & 9th February 2016 (ExCo)

Report of: Assistant Director City Development and Assistant Director Public Realm

Title: Master Plan for Riverside & Ludwell Valley Parks 2016-2026

Is this a Key Decision?

Yes

Is this an Executive or Council Function?

Executive

1. What is the report about?

This report summarises the main projects and recommendations from a draft Master Plan for the Riverside & Ludwell Valley Parks for the period 2016-2026. A copy of the draft Master Plan is available in the Members' Room. The production of the Master Plan has been managed by Simon Bates, Green Infrastructure Project Manager for the Growth Point Team, and championed by Cllr Keith Owen through a multi-agency Task & Finish Group.

The main goal of the Master Plan is to set out a 10 year investment plan for these two Parks, to be funded principally from the Community Infrastructure Levy (CIL). The investment plan needs to be endorsed by Executive Committee and the Joint Habitats Committee before funding, collected via developer contributions, can be allocated.

Fundamentally, the Master Plan sets out where new areas of public recreational space can be created, and where improvements to existing space can be made, for example through planting orchards or providing shelter. The plan also addresses other aspects, such as the quality of 'gateways' into the Parks, interpretation of heritage and wildlife, navigation, notice of Park events, and the use of art to increase socialising in under utilised spaces. The projects have a set of priorities and indicative budgets which are set out at Appendix A.

2. Recommendations:

That Executive Committee approves:

- 2.1 The draft Master Plan;
- 2.2 The prioritisation and indicative budget for the purposes of allocating money collected via CIL for Habitats Regulations mitigation (as set out at Appendix A).

3. Reasons for the recommendation:

The need for this plan is driven largely by housing growth. The resulting increase in population has an indirect impact on the Exe Estuary, which is a protected European wildlife site. This impact has to be mitigated in order for the Core Strategy and Development Plan Documents to be compliant with the Conservation of Habitats and Species Regulations 2010 (The Habitats Regulations).

One of the elements of the mitigation strategy is the enhancement of 'Suitable Alternative Natural Greenspace' (SANGS). The Council has identified the Riverside and Ludwell Valley

Parks for this purpose. We need to make the Parks more attractive for people, particularly those walking dogs, thus taking pressure off the estuary and its wild bird populations.

The potential of the two Parks to function as SANGS was identified in the South East Devon European Site Mitigation Strategy (June 2014). Policy DD31 in the Development Delivery Development Plan Document (DPD, Publication Version July 2015) protects European wildlife sites from adverse impact and states that “development will, where relevant, be required to contribute towards measures to mitigate against adverse impacts”. In the supporting text to policy DD31 (section 8.14), the DPD states that SANGS will be shown on the Proposals Map. This gives the Council flexibility to demonstrate, through the master plan and the associated visitor surveys, that the two Parks can provide the necessary new and enhanced public open space. Further automated visitor counts, to be undertaken between February and July 2016, will confirm the ability of the Parks to absorb more visitors. However, should there be a shortfall in space, the Council has also identified Mincinglake Valley Park as a potential SANGS.

The master plan lists projects that will meet the requirements of a SANGS, ranging from purchase of land for new publically accessible open space, to provision of information on where people can walk. The projects have an indicative budget (Appendix A), and are prioritised. Once the master plan has been approved by Executive Committee, it will need to be approved by the Habitat Regulations Joint Committee in early 2016 before funding can be allocated. At that stage, detailed project design can proceed.

For more information on the Council’s approach to European site mitigation, members should refer to the report to Executive Committee from 7th October 2014 (Item 14: Strategy and Governance for European Site Development Impact Mitigation).

Members should also note the content of the report entitled ‘South East Devon Joint Habitats Mitigation Executive Committee’ which sets out the composition and remit of the Joint Habitats Committee. Members will note that this report is also on the Executive Agenda for determination on 9th February 2016.

Whilst the priority of the master plan is to deliver new and enhanced public access, there are additional objectives for raising the quality of both Parks. It is hoped that money flowing from the Habitats Regulations budget can be matched with grant e.g. from Heritage Lottery Fund, to deliver these broader objectives.

4. What are the resource implications including non financial resources

Project funding will flow from the Community Infrastructure Levy. Approximately 8% of CIL receipts are to be spent mitigating the recreational impacts arising from new development on European protected sites. This is approximately £2 million in total, of which approximately £1 million is for delivering SANGS in the Riverside & Ludwell Valley Parks. The remainder is for delivering mitigation on the European wildlife sites. However, the Council also intends to spend CIL money on public realm enhancements, unless alternative contributions can be found. Some of the projects set out in the master plan fit into this category.

Members should note that this money will not be available immediately, but will slowly build up over the next 10 years as development CIL receipts are collected.

Whilst the detailed project design can be managed by the Growth Point Team, the input of the Public Realm and City Development teams in the Council will be essential. Furthermore, specific projects will need to be delivered by officers from both teams. Whilst some projects are about park management, others will require planning permission. The input of

communications staff will be desirable to achieve high quality digital and published information about the Parks, and on-site interpretation.

5. Section 151 Officer comments

The funds from CIL, which are to be set aside for habitat mitigation, will be held in a separate account on the Council's Balance Sheet. There are no specific requests for additional resources arising from this report.

6. What are the legal aspects?

It is a statutory requirement under the provisions of the Habitats Regulations 2010 for the Council to mitigate the impact of new development on protected sites as set out in (3) above.

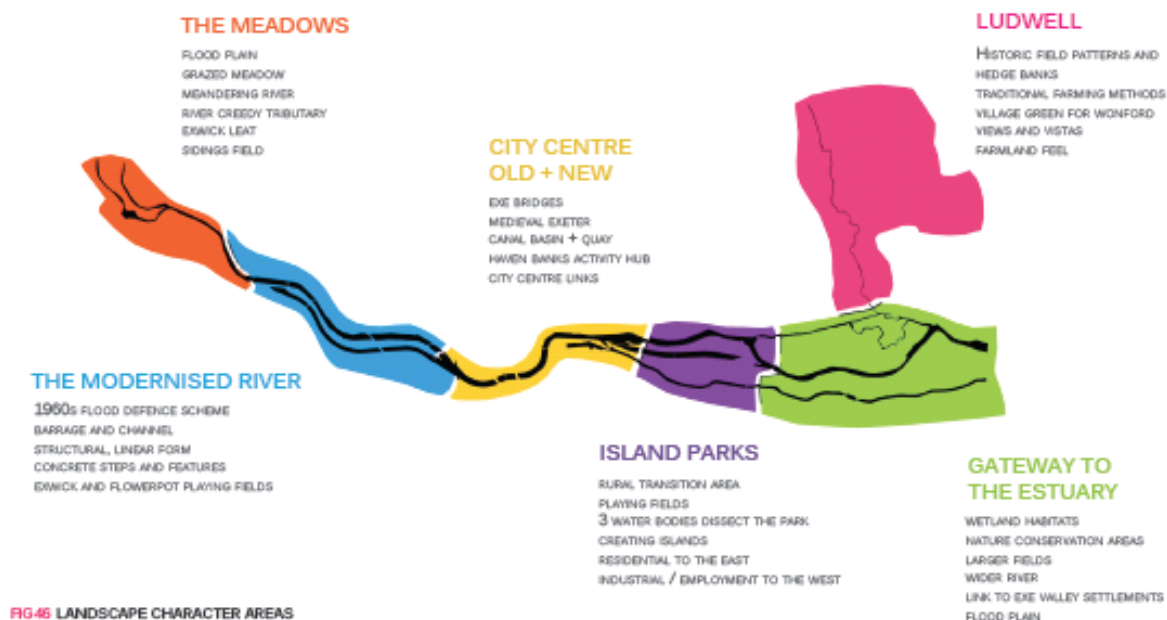
7. Monitoring Officer's comments:

This report raises no issues for the Monitoring Officer

8. Report details:

The Master Plan is attached to the agenda on the Committee pages of the web site.

A summary of the highest priority projects and estimated costs are listed below. Headings refer to the six character zones identified in Fig 46 of the master plan – see below.



THE MEADOWS

NEW CYCLE CONNECTION

This is a key part of a much larger project to improve the recreational and commuter cycle connection between Exeter and Tiverton/Crediton. It is anticipated that this project would be eligible for Habitats Regulations CIL funding, since this would be a shared use trail, and would create new public access to the north of the city, taking people away from the sensitive European wildlife sites.

£285k-£350k

THE MODERNISED RIVER

EXE RIVER ACCESS IMPROVEMENTS

The Exe River is currently poorly accessed in The Modernised River section of the site. Many people walk along the flood defence scheme but do not visit the upper bank, which has some pleasant views to woodland across the river by the railway line and gives a chance for rest and contemplation. This proposal suggests improving the walkway through the wooded area, and creating some stopping platforms that enable people to experience the natural River Exe, in contrast to the flood relief channel. Careful tree planting and species selection can also improve the space for wildlife.

It is anticipated that this project would be eligible for Habitats Regulations CIL funding.

£12k – £15k

OLD + NEW CITY CENTRE

There are no high priority projects in this section but substantial changes will result from the second phase of the flood defence scheme.

ISLAND PARKS

BROMHAM FARM HUB

The 'Bromham Farm Hub' is envisaged as the primary entrance to the parks from the south west. This hub would connect with the Marsh Barton proposed train station, providing sustainable transport access to the parks, for users such as school groups or tourists from the primary Exeter stations. It may also encourage regular commuters to enjoy the park. Improved facilities at the Bromham Farm changing rooms could provide toilets and refreshments, bike and canoe hire, education classroom, as well as the opportunity for rentable spaces for exhibitions or exercise classes. Car parking will be brought to the western side of the canal to alleviate pressure on the Clapperbrook Swing Bridge and create a quieter entry.

It is expected that the cost of improvements to car parking would be eligible for Habitat Regulation CIL funds, but the remainder would have to be sourced elsewhere.

£48k-£123k

GATEWAY TO THE ESTUARY

FORMAL ACCESS TO ALPHINBROOK, INCLUDING HABITAT CREATION

20 hectares of the Alphinbrook is currently owned and managed by the Environment Agency for flood control, but new access could be provided. It is envisaged that the key access will be through the back of Grace Field, so as to provide a sustainable transport connection from the new Marsh Barton Railway Station. Further foot access can be provided across Double Locks and from Bridge Road, although these will be secondary access points. By enhancing the wetland meadow habitat, providing information, signage and screening, this area can be enhanced for wildlife and for dog walkers. It is anticipated that this project would be eligible for Habitats Regulations CIL funding.

£200k – £300k

NORTHBROOK HUB

The master plan seeks to improve accessibility to the Parks, and this is not only via sustainable means such as foot, rail and cycle connections, but also via car. Northbrook Golf Course Club House is currently underused, and only open in summer. This Exeter City Council resource is currently let to a private leisure provider, but we should try to enhance this as a key landing pad for both the Riverside Park and Ludwell, through negotiation.

£21k – £60k

NORTHBROOK CONNECTION + PROMENADE

The Northbrook Hub scheme would be complemented by an improved access route along the North Brook, to enhance the connection between Ludwell and Riverside. This route would be suitable for cyclists and pedestrians. If public access and conservation of the Paper Mill can be achieved, it could be a destination at the other end of this route. This project would also consider the crossing of Topsham Road, as Topsham Road is a key barrier between the two green spaces. It is anticipated that this project would be eligible for Habitats Regulations CIL funding.

£62k – £71k

LUDWELL

NEW HUB AT PYNES HILL AND WONFORD

By supporting the growth of a community hub at Wonford, and renovating and enhancing the existing facilities, the centre can act as a launch pad for visitors to Ludwell Valley. Improved signage for car parking, information about history, routes and wildlife interest will invite people into the Valley Park and act as a facilities base with toilets, parking and shelter. At Pynes Hill, a new 50 space car park, designed to be low impact, with orchard tree planting, wildflowers and pop-up cafe, provides a new hub. It is anticipated that some of the costs of this project would be eligible for Habitats Regulations CIL funding. The Council has allocated £250,000 for the Wonford Inclusive Sports Hub from developer contributions.

£30k (Pynes Hill car park and signs only)

NEW FOOTPATHS AND ASSOCIATED SIGNAGE, AND MAINTENANCE

This project will improve circulation around the Ludwell Valley, introducing people to under visited areas. Some muddy paths will be surfaced, and signage and navigation improved using both digital technology and conventional interventions. Looped walks that start and finish at access points and offer reasonable terrain for a variety of users to enjoy are proposed. Creating routes that follow contours will help to disperse people around the site. It is anticipated that this project would be eligible for Habitats Regulations CIL funding.

£200k – £300k

LAND PURCHASE

10 hectares of land at Ludwell are currently in private ownership, although two private fields are managed by Exeter City Council to improve biodiversity. If Exeter City Council were to purchase these fields and covenant them as public open space, this would guarantee public access in perpetuity. These fields are protected from development by policies LS1 and CP16. This project would be eligible for Habitats Regulations CIL funding.

£220k – £250k

9. How does the decision contribute to the Council's Corporate Plan?

By investing capital in new assets that can generate revenue, and focusing on low maintenance Park management, the plan addresses the corporate priority to reduce operating costs.

There are some recommendations on the provision of new car parks, which therefore have implications for the new Parking Strategy and Action Plan. Given that the river and canal forms the backbone of the Riverside Valley Park, the plan also contributes to the development of a new Waterways Partnership for Exeter to steer the future of Exeter's waterways.

10. What risks are there and how can they be reduced?

The main risk is that the Council cannot demonstrate that there is capacity in the two Parks to absorb greater numbers of visitors without affecting the experience of existing visitors, which might cause them to visit the sensitive European wildlife sites as a replacement. This would have the perverse affect of negating the purpose and function of the two Parks as SANGS. Whilst new data on visitor numbers needs to be collected and analysed in the first half of 2016, our experts (Footprint Ecology) have advised that visitor capacity should not be a problem. This is because the master plan identifies new parcels of land for public access, as well as enhancing areas with existing access.

However, should the visitor analysis highlight a shortfall in visitor capacity, the Council would have to seek additional land for new, or enhanced public access. The main candidate would be Mincinglake Valley Park, which has potential as a SANGS identified in the South East Devon European Site Mitigation Strategy. To reduce this risk, the Council's planning and public realm officers should start to draft a plan for Mincinglake Valley Park, and install visitor counters, in early 2016.

11. What is the impact of the decision on equality and diversity; health and wellbeing; safeguarding children, young people and vulnerable adults, community safety and the environment?

The master plan has consulted young people and those from deprived areas of the city in formulating the proposals. At detailed project design stage, providing for equality and diversity will be a key element.

12. Are there any other options?

The Council needs to find SANGS, and there is existing capacity within the Valley Parks of Riverside, Ludwell and Mincinglake, combined. However, further housing need may require the Council to look for additional SANGS, which might be existing Valley Parks, or invest CIL in new SANGS proposed for the Clyst Valley Regional Park or SW Exeter.

Assistant Director City Development

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

Background papers used in compiling this report:-

None

Contact for enquires:
Democratic Services (Committees)
Room 2.3
01392 265275

This page is intentionally left blank

EXTERIOR ARCHITECTURE

STUDIO 1.5, HEWLETT HOUSE, HAVELOCK TERRACE, LONDON, SW8 4AS – 020 7978 2101 – EXTERIORARCHITECTURE.COM



APPENDIX A

Date: 29/01/2015

Revision B

General

The following document sets out the key projects identified in Riverside + Ludwell Valley Parks Masterplan 2016-2026 as produced by Exterior Architecture Ltd (EA) for Exeter City Council.

The projects listed below will be managed by Exeter City Council & Exeter & East Devon Growth Point and will be supported by potential partners where applicable.

The cost associated with the following information are benchmarked on EA current understanding of market rates for capital expenditure on each project and do not make allowance for management and maintenance costs post implementation. Rates include for potential contractors Preliminary and Generals costs as well as profit.

Costs are to be used to establish high-level feasibility for budgeting purposes. In many cases the creation of defined project briefs and detailed scope of services documents will be required to progress certain projects.

AREA	Project Description	Priority	Deliverability / Viability	Potential Partners	Estimated Cost (Low-High)
SITE WIDE	Branding exercise Website created as landing pad for valley parks with information on how to get there, what events are happening, what facilities and activities are available. This should be comparable to a website for a visitor attraction such as the National Trust Killerton Estate.	Medium. This is important in creating the valley parks as a regional attraction.	Low cost and easily delivered without planning permission. Potential funds available from CIL.	Can be delivered solely by ECC with assistance of an outside agency.	The cost of implementing this strategy varies due to the different degrees and extents of information included. A basic website starts from £7500 based on standard templates up to £40,000 for a custom design website with associated graphic and copy-written content. Outline budget to process is set at £20,000.
SITE WIDE	Masterplan User Group continued into perpetuity. Good representation from public, private and third sector has been achieved through the user group, but this should be expanded slightly to ensure that the best outcome can be achieved at detailed project design stage. A range of users should be recruited to contribute to the continuing masterplan user group, which has been established in the masterplanning process.	High priority. Ensuring that the masterplan is supported and informed by local people is essential to its success.	This is a low / no budget deliverable that can continue after the masterplan has been completed.	Can be delivered solely by ECC.	ECC resource would be required to liaise with the user group.
SITE WIDE	Routes Strategy: Footpath Creation 1. Alphin Brook (Gateway to the Estuary) - 3km secondary footpaths, 2km tertiary 2. Ludwell Valley Park - 4km secondary footpaths, 4km tertiary 3. Riverside Valley Park (Gateway to the Estuary) - 2km primary footpaths, 2km secondary, 3km tertiary	High priority. Footpath creation is an essential objective.	Negotiation with landowners needs to begin immediately, to secure delivery in the medium term. Other routes are on ECC land and can be delivered in the short term.	East Devon Growth Point	Costs are shown in a range from low to high and expressed in thousands of pounds 1. Secondary – £45- £66 K Tertiary – £16 – £30K 2. Secondary – £60- £88 K Tertiary – £32 – £60K 3. Primary – £170- £100 K Secondary – £30 – £44K Tertiary – £24 – £45K

EXTERIOR ARCHITECTURE

STUDIO 15, HEWLETT HOUSE, HAVELOCK TERRACE, LONDON, SW8 4AS – 020 7978 2101 – EXTERIORARCHITECTURE.COM



	<p>4. North Brook Golf course (Gateway to the Estuary) - 2km secondary</p> <p>5. Leaf land and bridge (Island Park) - 380m primary + bridge</p> <p>6. River Exe (Modernised River) - 1km primary, 800m secondary</p> <p>7. Cowley Bridge Fields (The Meadows) – 1.5km cycle connection from St Davids to Cowley Bridge (with 500 m of cantilevered section) –1km secondary, 1.5km tertiary</p> <p>8. Grace Road Fields - 1km primary</p>				<p>4. Secondary – £6 – £8K</p> <p>5. Primary – £45 – £50K Bridge - £120K</p> <p>6. Primary – £35 - £50 K Secondary – £12 – £15K</p> <p>7. Cycle link – £750K Secondary – £15 – £22K Tertiary – £12 – £22.5K</p> <p>8. Primary – £35- £50 K</p>
SITE WIDE	<p>Signage Strategy: Implementation of the signage strategy, where type 1 includes seating, interpretative signs, waste bin and possible sculptural element. Type 2 consists of information boards and signage, and Type 3 comprises of a simple wayfinding post or marker.</p>	High priority. Currently there is little signage related to travelling through the parks on foot.	This is an ongoing objective, and can be delivered with a phased approach.	East Devon Growth Point	<p>Type 1 = 29 locations £203 – 375K (Av.£289K)</p> <p>Type 2 = 25 locations £20 - £60K (Av. £60K)</p> <p>Type 3 = 28 locations £17 – £33 K (Av. £25K)</p>
SITE WIDE	<p>Entrance Improvement The Masterplan sets a hierarchy of entrance treatments which relate to the degree of importance of each gateway. The identification and marking of key gateways into the site is essential to aid navigation into the parks, express the character of each area, create a cohesive expression, communicate essential information to park users and provide access control to restrict some use types.</p>	Medium priority. This is important in improving the profile of the parks.	This can be delivered with a phased approach, focusing on some gateways ahead of others	Private partners, local businesses	<p>Car parking at Clapperbrook 200m2 (£18 - £22 k)</p> <p>Entrance signage x 9 £16 - £22 K (Av. £19 K).</p> <p>Info board x 9 £18 - £31 (Av. £25 K)</p>
SITE WIDE	<p>Furniture Site wide furniture provision based on assessment contained with the report</p>	Medium – High Priority. Additional furniture will be required where new paths are created.	Can easily be delivered when funding becomes available. Requires a compendium of furniture types to be developed and agreed with ECC and other landholders.	East Devon Growth Point/ECC	<p>Seating opportunities (32) = £48,000</p> <p>Picnic areas (2)=£5000</p> <p>BBQ areas (1) £4500</p> <p>Sculptural features (7) Not costed.</p> <p>Bicycle parking (13 groups of 10) =£15,600</p> <p>Playground (1 proposed + 3 to be improved) =£240,000</p> <p>Adventure playground (1)=£120,000</p> <p>Teenager hangout (2)= £10,000</p>
SITE WIDE	<p>Habitat and Biodiversity Improvement In order to deliver the habitat improvement strategy, woodland planting and meadow creation is identified, along with hedgerow planting.</p>	High priority. Conserving the habitats along the site is essential to maintaining it as an attractive place for visitors.	The habitat strategy can be implemented directly.	Devon Wildlife Trust, RSPB, HLF.	

EXTERIOR ARCHITECTURE

STUDIO 1.5, HEWLETT HOUSE, HAVELOCK TERRACE, LONDON, SW8 4AS – 020 7978 2101 – EXTERIORARCHITECTURE.COM



	<p>The Meadows (not SANGS priority) 1. 1 ha wetland creation at Cowley Bridge Field 7. Ditch restoration and carr woodland at Exwick Leat fields (13 ha)</p> <p>Island parks (SANGS priority) 19. Forest garden (1 ha) 18. 6 m buffer strip of woodland around Bromham playing fields (0.8 ha) 10. Grace Road Fields woodland (1.7 ha) 2. Belle Isle park wildflower meadows (1.2 ha) 5. Duckes Meadow park wildflower meadows (1.6 ha)</p> <p>Gateway to Estuary (SANGS priority) 9. Wildflower meadow enhancement and new parkland trees (3 ha) 6. New hedgerow (1 km) 1. Wildflower meadow (0.3 ha) 12. Wetland enhancement (14 ha)</p>				<p>The Meadows 1. £12k-£15K 7. £156 - £195K</p> <p>Island Parks 19. £4.8K 18. £3.8K 10. ££8.2K 2. £21K 5. £30k</p> <p>Gateway to Estuary 3. £54K 6 £5.2K 1. £5.4K 12 - £168K - £210K</p>
THE MEADOWS	<p>CYCLE CONNECTION A key project to improve the cycle connection between Exeter and Crediton, or (via the Exe Valley), Tiverton.</p>	High priority project which provides key missing link in Exeter cycle network, and encourages more users to a currently inaccessible part of the park.	Long term objective, not essential in the immediate stages of the masterplan	Sustrans, Environment Agency, Network Rail, Private Landowners,	1km primary, 500m cantilevered Primary – £35- £50 K Cantilevered – £750K
THE MEADOWS	<p>EXWICK LEAT AND WEIR CONSERVATION + ENHANCEMENT As one of the oldest mill complexes in Exeter, it is an important part of the city's heritage.</p>	Medium Priority. The sooner maintenance and conservation of the leat takes place, the easier it will be to preserve for the future.	Long term objective, not essential in the immediate stages of the masterplan	Exeter Civic Society, Heritage Lottery Fund, Waterways Trust, Private Landowners	700m leat Unknown - further studies required.
MODERNISED RIVER	<p>EXE RIVER ACCESS IMPROVEMENTS</p>	High priority. This project improves accessibility and biodiversity in this area of the city.	This project is viable in the short term, and would be a significant improvement to this area.	Devon Wildlife Trust	800m secondary footpath £12 – £15K
MODERNISED RIVER	<p>EXWICK WILD PLAY There is currently an underutilised area to the north west of Station Road, which is currently amenity green space. This seems the perfect location to enhance a wild play area.</p>	Medium priority. This project is a popular idea with participants at the public event.	This project is a quick win for improving facilities in the valley parks, at a relatively low cost.	WildZone, Devon Wildlife Trust; EA	2.4 hectares £65K – £120K
MODERNISED RIVER	<p>STATION ROAD GATEWAY Central to the masterplan is linking 'hubs' and facilities to existing infrastructure. The Station Road / Exwick Playground car park is a clear area for improvement, as it will help to enhance the entrance to the valley parks from St David's Station.</p>	Medium priority. This project would help raise the profile of the parks and encourage sustainable transport use.	The project could be delivered in the short term.	DCC Transport Team	500m2 £15 - £32K
OLD AND NEW CITY CENTRE	<p>POCKET PARK CREATION + ENHANCEMENT, CITY CENTRE AS A BIODIVERSE CORRIDOR The primary improvement to the city centre area comes from biodiversity improvements in the pockets of green space that lie alongside the water course of the River Exe. Bonhay Meadows, Shilhay Meadows, Medieval Exe</p>	Medium priority. This project is not essential, but is desirable in improving the profile of the valley parks.	Long term. In the short term the objectives are to retain these 'pockets' as key city centre green spaces.	Local businesses	3 ha of small parks – mainly soft landscaping £240 - £450K

EXTERIOR ARCHITECTURE

STUDIO 1.5, HEWLETT HOUSE, HAVELOCK TERRACE, LONDON, SW8 4AS – 020 7978 2101 – EXTERIORARCHITECTURE.COM



	Bridge and Haven Banks Play Area could all benefit from a consistent design language that promote stopping and resting and connecting to the river for the city centre users.				
ISLAND PARKS	CLAPPERBROOK HUB The 'Clapperbrook Hub' is envisaged as the primary entrance to the parks from the south west.	High priority. Improving this gateway will make a well signed, accessible park, with opportunities for sustainable development.	This project should be developed in the medium term, after the flood defence work has been carried out.	DCC, Network Rail, HLF, local businesses	Car parking at Clapperbrook 200m2 £18 - £22K Bromham Pavillion reopened to public – toilets made accessible £20 - £80K Signage from train station Info boards x3 £6 – £11.5K Multi use hard landscape space (i.e. markets, pop ups, gathering) £4 - £9K New building of 500m2 = £600K
ISLAND PARKS	GRACE FIELD IMPROVEMENTS AND ACCESS TO ALPHIN BROOK The Grace Road Playing Field is currently not functional as a sports pitch, being low lying. The goal is to redevelop it as a vibrant green space.	Medium priority. The access across the back of Grace Field is a key entry point to the Alphin Brook, and walking opportunities can be enhanced here.	Renting out the field and providing a camping ground can be longer term objectives, but walking access can be improved in the short term.	Environment Agency, Exeter Canal & Quay Trust, Exeter Watersports Association, Exeter Cultural Partnership	1 km primary footpaths £35- £50 K BBQ areas, picnic benches, seating, info boards, signage Type 1 x 1 £7 K- £13K Type 2 x 1 £0.8K- £4.6K Type 3/4 x 1 £0.6K - £0.85
ISLAND PARKS	LEAF LAND ACCESS The improvements to the flood channel at Trews Channel have severed a footpath link to the community woodland, which should be reinstated to promote safe access for children and those with disabilities.	Medium priority. This project aims to maintain and improve the Island Parks as an attractive place for all.	Medium term - this project will be delivered after the flood channel work is complete.	Gingko Art Projects, Woodland Trust, Environment Agency.	1km primary footpaths £35K- £50K Artistic, low impact bridge crossing point £40K – £200K Signage Type 1 x2 £1.2K - £9.2K Signage Type 2 x1 £0.8K - £4.6K
GATEWAY TO THE ESTUARY	FORMAL ACCESS TO ALPHIN BROOK, INCLUDING HABITAT CREATION New access and habitat creation within 20 hectare of the Alphin Brook, which is owned by the Environment Agency.	High priority.	This should be a short term goal of the masterplan, as it will	Environment Agency	3km primary footpaths, 2km secondary = Primary – £140- £200 K

EXTERIOR ARCHITECTURE

STUDIO 1.5, HEWLETT HOUSE, HAVELOCK TERRACE, LONDON, SW8 4AS – 020 7978 2101 – EXTERIORARCHITECTURE.COM



			immediately provide some key new walking routes for visitors to the Valley Parks		<p>Secondary – £45 – £50K</p> <p>14 Ha of Wetland £168K – £210K</p> <p>Signage – 3 x type 1 £21 - £39 K</p> <p>1 x type 2 £1.2 - £9.2K</p> <p>5 x Type 3 £3 - £4.2 K</p>
GATEWAY TO THE ESTUARY	NORTHBROOK HUB	High priority.	This project should be developed in the medium term, as it involves negotiation around the lease with Parkwood Leisure. Then work improving signage and directing people to this area can take place.	Parkwood Leisure, DCC Transport team	<p>Upgrade of car park £8 – £14 K</p> <p>Soft landscaping £1.5 – 33 K</p> <p>Signage type 1 x1 £7 - £13 K</p> <p>Multi use hard landscape space (i.e. markets, pop ups, gathering) £4 - £9K</p>
GATEWAY TO THE ESTUARY	NORTHBROOK CONNECTION + PROMENADE	Medium priority.	This project should be developed in the medium term, if changes to the car park at Northbrook Golf Course can be agreed.	Heritage Partners, DCC Transport team	<p>High quality 380m promenade £45 – £50K</p> <p>Avenue tree planting £3 - £5 K</p> <p>Signage 2 x type 1 £14 – £26K</p>
GATEWAY TO THE ESTUARY	RIVERSIDE VALLEY FOOTPATH IMPROVEMENT	Medium priority. This area is already well used, but quality of routes and connectivity could be improved. Additional signage will help to divert people to new access in the Alphin Brook.	This project should be developed in the medium term, after the flood defence work has been carried out.	Exeter Parks Watch, Devon Wildlife Trust	<p>Screening planting/ new woodland creation 200m £0.3 - £0.5 K</p> <p>2km secondary footpaths £6 – £8K</p>
LUDWELL	HUB CREATION FOR PARKING + FACILITIES By supporting the growth of a community hub at Wonford, and renovating and enhancing the existing facilities, the centre can act as a launch pad for visitors to Ludwell Valley. A further satellite provision can be provided at Pynes Hill, with a car park for visitors wanting to reach the higher, southern end of Ludwell. This car park will offer information and signage, and parking facilities for people arriving from the south east.	High priority.	This project, particularly the upgrade of the disused tennis courts to parking, should be investigated in the short term, to improve accessibility to Ludwell from the new housing at	Ludwell Life, Devon Wildlife Trust, The Phoenix Youth Club, Active Devon	<p>Detailed design underway for Wonford Inclusive Sports Hub</p> <p>Car parking at Pynes Hill 300m2 Signage Type 2 x1 £14 – £26K</p>

EXTERIOR ARCHITECTURE

STUDIO 15, HEWLETT HOUSE, HAVELOCK TERRACE, LONDON, SW8 4AS – 020 7978 2101 – EXTERIORARCHITECTURE.COM



			Newcourt.		Entrance Type 1 £1.8 - £2.4 K
LUDWELL	NEW FOOTPATHS AND ASSOCIATED SIGNAGE, AND MAINTENANCE This project will improve circulation around the Ludwell Valley, introducing people to under visited areas.	High priority.	Improvements to Ludwell should be carried out in the short term.	DCC, Ludwell Life, Exeter Community Initiatives, Wonford Community Association, Exeter Parks Watch	All weather path surfaces Creation of circular routes on contours Primary – £140- £200 K Secondary – £45 – £50K Signage – 5 x type 1 £35 - £65 K 6 x type 2 £4.8 - £28 K 11 x Type 3 £6.6 - £9.4 K
LUDWELL	LUDWELL LANE TRAFFIC CALMING This project aims to make Ludwell Lane a safe, country lane for walkers and cyclists, whilst maintaining vehicular access to private properties.	Medium priority.		DCC, Ludwell Life, local residents	Speed bumps Surface treatments 1300m length of road £130 - £165 K
LUDWELL	LAND PURCHASE 10 hectares of land at Ludwell Valley.	Medium priority.		Private owners, Homes & Communities Agency	10 hectares of fields to buy (£220 – 250 K)

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

Document is Restricted

This page is intentionally left blank

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

Document is Restricted

This page is intentionally left blank

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

Document is Restricted

This page is intentionally left blank

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

Document is Restricted

This page is intentionally left blank