

## **SCRUTINY COMMITTEE - ECONOMY**

Date: Thursday 12 November 2015  
Time: 5.30 pm  
Venue: Rennes Room, Civic Centre, Paris Street, Exeter

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

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

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

### *Membership -*

Councillors Brimble (Chair), Lyons (Deputy Chair), Branston, Brock, Bull, Crew, Harvey, Henson, Prowse, Robson, Vizard, Wardle and Williams

### Agenda

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

##### **1 Apologies**

To receive apologies for absence from Committee members.

##### **2 Minutes**

To sign the minutes of the meeting held on 10 September 2015.

##### **3 Declarations of Interest**

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

Councillors requiring clarification should seek the advice of the Monitoring Officer prior to the day of the meeting.

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

**RESOLVED** that, under Section 100A(4) of the Local Government Act 1972, the press and public be excluded from the meeting during consideration of item 17 on the grounds that it involves the likely disclosure of exempt information as defined

in paragraph 3 of Part I, Schedule 12A of the Act.

**5 Questions from the Public Under Standing Order 19**

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

*Details of questions should be notified to the Corporate Manager Democratic and Civic Support at least three working days prior to the meeting. Further information and a copy of the procedure are available from Democratic Services (Committees) 01392 265115 and also on the Council web site.*

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

**6 Questions from Members of the Council Under Standing Order 20**

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

**MATTERS FOR CONSIDERATION BY THE EXECUTIVE**

**7 Donations Campaign and Temporary Exhibition Admission Charges at the RAMM**

To consider the report of the Museums Manager and Cultural Lead.

(Pages 5 -  
14)

**8 Topsham Flood Alleviation Measures**

To consider the report of Assistant Director Public Realm.

(Pages 15  
- 20)

**9 Marine CoastGuard Agency Audit 2015**

To consider the report of the Assistant Director Public Realm.

(Pages 21  
- 24)

**MATTERS FOR DISCUSSION**

**10 Interim Report on Parking Review**

To consider the report of the Assistant Director Public Realm.

(Pages 25  
- 30)

**11 Budget Monitoring - Quarter 2**

To consider the report of the Assistant Director Finance.

(Pages 31  
- 40)

## MATTERS FOR INFORMATION

### 12 Exeter Pound Update

To receive a verbal report from Daniel Hillier, Director and Adam Rich, Project Worker of the Exeter Pound Steering Group and Councillor Brimble, Chair of Scrutiny Committee Economy.

### 13 Rugby World Cup Update 2015

To consider the verbal update report of the Economy and Tourism Manager.

### 14 Update on the Exeter and Heart of Devon Employment and Skills Board

To consider the joint report of the Economy Partnership and Projects Manager and the Economy and Tourism Manager. (Pages 41 - 50)

### 15 Exeter and the Heart of Devon Visitor Research

To consider the report of the Economy and Tourism Manager. (Pages 51 - 62)

### 16 Legacy Leisure Working Group Minutes 13th October 2015

To receive the notes of the Legacy Leisure Working Group Minutes held on 13<sup>th</sup> October 2015 for information. (Pages 63 - 68)

## Part II: Item for Consideration with the Press and Public Excluded

### MATTERS FOR CONSIDERATION BY EXECUTIVE

### 17 Exeter and Heart of Devon Growth Board Minutes

To receive the minutes of the Exeter and Heart of Devon Growth Board Minutes held on 8 September 2015. (Pages 69 - 74)

### Date of Next Meeting

The next **Scrutiny Committee - Economy** will be held on Thursday 21 January 2016 at 5.30 pm

### Future Business

The schedule of future business proposed for this Scrutiny Committee and other Committees of the Council can be viewed on the following link to the Council's website:

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

Councillors can view a hard copy of the schedule in the Members Room.

**Individual reports on this agenda can be produced in large print on request to Democratic Services (Committees) on 01392 265107.**

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## REPORT TO SCRUTINY COMMITTEE ECONOMY & EXECUTIVE

Date of Meeting: 12<sup>th</sup> November 2015 and 17<sup>th</sup> November 2015

Report of: Museums Manager & Cultural Lead

Title: New Income Generating Initiatives at RAMM: Donations Campaign and Temporary Exhibition Admission Charges.

### Is this a Key Decision?

No

\* One that affects finances over £1m or significantly affects two or more wards. If this is a key decision then the item must be on the appropriate forward plan of key decisions.

### Is this an Executive or Council Function?

#### Executive

#### 1. What is the report about?

- 1.1. This report focuses on two new initiatives at the Royal Albert Memorial Museum (RAMM) designed to generate income to support the museum's 'core' costs and service delivery. These proposals are made in the context of the financial challenges faced by the local authority and the service review this had driven. The first initiative relates to the introduction of admission charges for some temporary exhibitions. The second, provided to Members for information, concerns a new donations campaign encouraging increased levels of individual giving.

#### 2. Recommendations:

That Scrutiny Committee - Economy requests the Executive to approve the following:-

- 2.1. The introduction of a visitor admission charge in relation to temporary exhibitions at RAMM. The first ticketed temporary exhibition planned will be the International Garden Photographer of the Year which will take place 23 April – 28 August 2016;
- 2.2. Delegated authority to be given to the Museum Manager, in consultation with the Portfolio Holder, to decide when an admission charge should be applied to any of the temporary exhibitions at RAMM;
- 2.3. To agree that a follow up report is produced for Members to present the results and findings around charging for International Garden Photographer of the Year. Based on the findings of this first exercise, a stepped approach to charging for some exhibitions may be developed. At this stage it is considered likely that charges will be attached to selected and not all temporary exhibitions. (See paragraph 8.2); and
- 2.4. To note the related donations campaign, which also invites visitor's financial contribution.

#### 3. Reasons for the recommendation:

- 3.1. At present entry to the museum, permanent displays, temporary exhibitions and some events and activities are free, as well as experiences to enrich the visit, including Wi-Fi, activity bags for children and handling activities. General admission and many activities will remain free to visitors.

- 3.2. Income generation at RAMM, with the aim of reducing the City Council's revenue expenditure on the service, has been the subject of several discussions with Members.
- 3.3. A number of activities are currently offered through paid tickets, these include tours, talks, lectures, evening events and workshops. In delivering these activities RAMM seeks to support its core costs.
- 3.4. In this report's proposals general admission to the Museum and many other 'enrichment' activities will remain free to visitors.
- 3.5. New internal systems will support our income generation activity. A new Customer Relationship Management System will allow us to gather and manage information about visitors, informing our planning around audience development, future programming, marketing and fundraising. The systems will also enable the streamlined management of financial transactions taking place in the museum and online; producing better management and operational information. This system has been separately and externally funded.

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

- 4.1. The public's acceptance of exhibition charging will be related to their wider understanding of the funding challenges facing the local authority; service transformation and the need for cost savings in all areas of council delivery. The introduction of charges is a significant change for Exeter residents and will need careful communication corporately and by RAMM. Input from the City Council's Communication Team and potentially Members will be required.
- 4.2. Part of RAMM's task will be to communicate the need for the public's support, given recent investment received and a track record of success. A proactive donations campaign will highlight the wider need for visitors to help provide financial support. It will differ from the current 'Ask' of visitors by concentrating instead on the benefits of RAMM as a shared public space and experience for visitors. It draws on recent research from the New Economics Foundation which identified the key factors influencing mental health, well being and happiness. RAMM's donation campaign highlights to visitors how their visit has benefitted them and others and encourages a reciprocal donation as a result.
- 4.3. Selling and issuing tickets for temporary exhibitions will involve some setup costs. RAMM plans to minimise any additional costs by encouraging ticket purchases through the museum's existing till points and advance on-line sales. However the need to respond to 'impulse' decisions by visitors in the gallery is recognised and we plan that tickets should be immediately available from the Museum Assistant on duty. Costs involved will include mobile PDQ credit card reader (£199.99 for three month plus £23.00 for set up and collect fee) and tablet (existing equipment) for collecting ticket sales information. These set up costs will be covered through initial sales income. It will require IT support from Strata. The immediate ticket sales will create additional demands on the Museum Assistant Team which we plan to mitigate through the employment of casuals when necessary and front of house volunteers. Our calculations are based on one additional member of front of house staff (casual staff member) joining the Visitor Services Team for the duration of the charging exhibition.

#### **5. Section 151 Officer comments:**

- 5.1 The section 151 Officer is satisfied that the costs required to set up the scheme are modest. However, the returns are also modest and it is not therefore proposed

necessary to change the Museum budget at this stage. If approved and the scheme is successful, then this will be reviewed as appropriate.

## **6. What are the legal aspects?**

6.1 This information will be sought and reported back to Committee if any issues arise.

## **7. Monitoring Officer's comments:**

7.1. The Monitoring Officer recommends that a policy showing which type of exhibition would attract an entry fee and how much is to be charged should be introduced following the consideration of the content of the report referred to in paragraph 2.3 above.

## **8. Report details:**

8.1. These proposals form part of RAMM's drive to make a positive income contribution to offset its revenue costs. As a major area of council expenditure, RAMM was a significant feature in the questions that formed the Cultural City section of the 'Stronger Exeter' consultation that took place in autumn 2014. This provided direct public feedback about the value the community placed on the museum but also their willingness (or not) to accept charging for different areas of service. Whilst there was strong resistance to the introduction of a general admission charge, the consultation results showed a preparedness to pay for special exhibitions. 833 people said 'charging for entry to special exhibitions' should be considered, 452 disagreed, 202 people were unsure. On this basis the museum now wishes to explore the introduction of paid ticketing for some temporary exhibitions.

8.2. The proposal is to commence by introducing a charge for the International Garden Photographer of the Year 23 April – 28 August 2016. The International Garden Photographer of the Year is a well known, popular exhibition which will bring with it an audience of its own. This is a touring exhibition, many of the venues showing it are National Trust properties, as well as venues which have an admission cost.

8.3. After this initial exercise and further report to Members, our intention would be, (subject to their approval) to identify exhibitions within RAMM's mixed programming that are felt to have particular potential for footfall and income generation, whether this is through subject appeal; high profile partnership, known interest groups, media links and unique selling properties. Other exhibitions in the programme are likely to remain free admission, for instance those based on RAMM's collections; community shows or those with specific external funding constraints. Careful consideration would need to be given to ticketing for selling shows which generate commission for ECC, as this may inadvertently restrict number of 'would be' purchasers.

8.4. Many other museums and galleries have already implemented exhibition charging, so RAMM is introducing practice already in place in other UK towns and cities. Evidence from national and other regional museums is that a 10% 'conversion' rate is typical (i.e. 10% of visitors coming to a free admission museum will pay the ticket price for a special exhibition). RAMM's particular visitor pattern of frequent visits from a core local audience, may mean the conversion rate is as low as 5%. RAMM is undertaking visitor sampling over the autumn to establish the proportion of current museum visitors who also see the temporary exhibitions. (At present our automated counting only collects data at entry/exit points, not within museum's spaces). This baseline information will enable RAMM to understand its match with experience nationally, the impact of

charging on visitor patterns and the delivery of other performance indicators (for external funding).

8.4.1. For illustrative purposes we can provide estimated income which could have been generated on a mixture of past exhibitions, offset against exhibition costs, please note it is not always possible to track the complete final spend due to the complexities of the financial system.

Exhibition	Description	Cost*	Potential visitor numbers	Potential income** 10% conversion	Outcome (net) **	Potential income *** 5% conversion	Outcome (net) ***
Paper Persuaders 27 Sept 2014 to 22 Mar 2015	Bought-in touring exhibition	£2,500 - £6,500 staffing = <b>£9,000</b>	6,948	£20,844	£11,844	£10,422	£1,422
Art & Soul 22 Nov 2014 to 12 Apr 2015	RAMM generated major loan exhibition supported by £40,000 from Arts & Humanities Research Council via University of Exeter	£6,000 - £6,500 staffing = <b>£12,500</b>	8,383	£25,044	£12,544	£12,574	£74.00
Benedict Rubbra 2 May to 9 Aug 2015	Individual local artist	£1,000 - £6,500 staffing = <b>£7,500</b>	5,990	£17,890	£10,470	£8,985	£1,485
West Country to World's End 26 Oct 2013 to 2 Mar 2014	RAMM generated major loan exhibition supported by £40,000 from Paul Mellon Fund for British Art	£21,000 - £6,500 staffing = <b>£14,500</b>	8,453	£25,359	£10,859	£12,679.50	-£1,820
Social Fabric 23 May to 6 Sept 2015	Touring show from British Museum, with some RAMM content, costs largely borne by BM	£2,000 - £6,500 staffing = <b>£8,500</b>	7,732	£23,196	£14,696	£11,598	£3,098

\*These costs do not include: curation, conservation, design, marketing, promotion and administration. These are provided by in-house staff.

Staffing - The cost for one casual each day is @ £6500 (*Calculation: £8.02 x 7.5hrs per day = £60.15 x 108 days [18 six day weeks] = @ £6500*)

\*\* Based on 10% of visitors attending RAMM over the time period of the exhibition visiting the gallery space and 50% of visitors purchasing a full price ticket £4 and 50% a concession rate of £2.

\*\*\* Based on 5% of visitors attending RAMM over the time period of the exhibition visiting the gallery space and 50% of visitors purchasing a full price ticket £4 and 50% a concession rate of £2.

- 8.5. Visitor response to charging for International Garden Photographer of the Year will be monitored to inform our approach to potential charging in the future. The 'experimental' nature of this initial exercise is recognised and we expect to learn and refine our approach depending on visitor response to the principle of charging; their propensity to purchase tickets; level of charging and satisfaction rates. Initial work to develop systems to support and market ticketing for International Garden Photographer of the Year will form the basis of this initiative for other shows.
- 8.6. In the longer term we anticipate costs per ticket will vary for each temporary exhibition according to size and nature of exhibition and the cost of hosting or commissioning. Subject to Committee approval of delegated authority, Museums Manager would agree ticket pricing in consultation with h Portfolio Holder.
- 8.7. For International Garden Photographer of the Year the following ticket prices are envisaged.
- Adult: £4.00
  - Concessions: £2.00 (Students, X-card holders, supporter groups such as the Friends, Art Fund)
  - 19s and under: Free (given the requirement for full time education)
  - Groups: 1 person in 10 goes free

Which could equate to:

Exhibition	Description	Cost*	Potential visitor numbers	Potential income** 10%	Outcome ** (net)	Potential income *** 5%	Outcome *** (net)
International Garden Photographer of the Year	Bought-in touring exhibition	£5,655 - £6,500 = <b>£12,115</b>	5,000	£15,000	£2,885	£7,500	-£4,615

- 8.8. It is important to note that a visit to the museum remains free. As an example the space used for the International Garden Photography of the Year exhibition equates to only 6% of the total gallery space within the museum. So by far the larger percentage of the museum space is free to enter.
- 8.9. **DONATIONS CAMPAIGN:** a donations campaign designed to encourage individual giving will be launched in late 2015 and will be underway at the time of exhibition charging introduction. The campaign does not concentrate purely on the act of giving money, it is a larger campaign which describes the benefits of RAMM as a valuable shared space for visitors, providing the essential elements known to generates sense of wellbeing and happiness (as defined by the New Economics Foundation). Locally, our campaign describes them as the 5 STEPS TO HAPPY, which are viewable in the museum and supported by an online campaign, which provides us with another stream of fresh customer data. The 5 STEPS TO HAPPY are:

1. Be Generous – be of a giving nature
2. Be Social – connect with others
3. Stay Active – take care of yourself
4. Keep Learning – keep your mind keen
5. Take Notice – look around you.

8.10. The campaign elements are shown in the museum, highlighting opportunities and activities offered by the museum to develop these skills. This campaign gives a different insight into the value of RAMM, not just as a museum space, but a service which also delivers well being benefits to individuals and the community.

8.11. Through this campaign we will highlight donations boxes and the need to donate, as well as activities available in the museum including volunteering opportunities and ticketed events.

8.12. Museum staff will have been briefed to explain the need for donations within the context of museums. A Frequently Asked Questions (FAQs) paper – see appendix 1 provides answers to anticipated questions relating to temporary exhibitions.

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

9.1. These proposals are based on the findings of 'Stronger Exeter', a public consultation exercise described in the Council's Corporate Plan 2014/15 update. The plan recognised that 'in order to meet the challenge over the next three years fundamental changes to the services in Exeter will be needed'. The introduction of exhibition charges is part of the changes necessary to meet the wider financial challenges.

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

10.1. There is likely to be some public concern about the introduction of a charge for a service that was previously free. This will need careful communication and planning within the context of the wider funding challenges facing local government and the precedent established by other museums/galleries charging for similar services elsewhere. The City Council's continuing commitment to cultural investment delivering quality of life benefits for residents, tourists and inward investment should be stressed.

## **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. There will be no admission charge to the museum and large parts of RAMM will remain free entry (i.e. permanent collections; other temporary exhibitions, cafe etc). Concessionary rates will be offered to holders of the X-card. RAMM will continue to make a positive contribution to these social issues affecting individuals and communities. The donations campaign 'framed' around health and wellbeing will underscore the benefits the museum as a whole (and not just temporary exhibitions) is able to offer to individuals and the wider community.

## **12. Are there any other options?**

12.1. Temporary exhibitions are important drivers of museum visitor numbers which are a key performance indicator for RAMM's funders (City Council; Arts Council, England and other trusts and foundations). These exhibitions are a key component of RAMM's active programme and these proposals will help defray some of their associated costs.

The option to continue a policy of free admission remains open to Members but closes a income generating route which has already been established in other UK towns and cities.

**Camilla Hampshire**  
**Museums Manager & Cultural Lead**

**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

## **Appendices 1**

### **FAQ's**

#### **Why do I have to pay for this exhibition?**

A survey carried out by Exeter City Council showed that people would be prepared to pay for temporary exhibitions at RAMM and that they would prefer this method of charging to an entrance fee for the museum.

#### **I didn't see that survey**

The survey, called Stronger Exeter, was carried out by Exeter City Council in autumn 2014. It was in the Express and Echo and was delivered to residencies in the city.

#### **Why does RAMM need donations?**

City Council budgets are tight – that's why people were asked for their thoughts about how money should be spent. Additional funding is also very limited so the museum needs to generate some funds through its activities.

#### **I've already paid for RAMM once in my council tax. Why do I have to pay again to see this exhibition?**

The money allocated to RAMM through the Council tax pays for the upkeep of the museum and safeguards its collections. We don't have the additional funds to bring exhibitions like this without generating some income from them.

#### **The museum has always been free before. Why are you charging now?**

In the past, we've had enough funding through Exeter City Council and other organisations. All the organisations who give us public funding have had their budgets cut, so there is less money available for RAMM. This is why we're looking at other ways to generate funds to keep the museum going and to continue to bring high quality exhibitions such as this to Exeter.

#### **I don't think this is high quality. It wasn't worth paying for. Can I have my money back?**

This exhibition is a touring exhibition put together by professional curators. We're not able to give refunds to people who've seen the exhibition, but we're very keen to hear your feedback which we'll take into account in our future planning.

#### **Now that I've paid for this exhibition, where does the money go?**

The funds generated by ticketed exhibitions go towards future exhibitions taking place within the museum, for conservation, acquisitions, activities and events.

#### **Why do I have to pay for this exhibition when the rest of the museum is free?**

A survey carried out by Exeter City Council showed that people would be prepared to pay for temporary exhibitions at RAMM and that they would prefer this method of charging to an entrance fee for the museum. That's why we're charging for some of our temporary exhibitions.

#### **Will you be charging for all exhibitions in future?**

The museum will remain free to enter. We are currently trialling ticketing for temporary exhibitions and we will take a view as to the success of the trial using feedback from visitors and evaluating income generated. It is envisaged that there will be a small number of paid for exhibitions per year with the vast majority of the museum space being free to access

#### **I can't afford £4**

We have a concession rate of £2 for people who have an X-card which supports people who are on lower incomes, are unemployed or have disabilities. Full details of the card, including eligibility and other offers and discounts is available at [www.exeter.gov.uk/X-card](http://www.exeter.gov.uk/X-card). The card is only available to Exeter residents. We also offer the concession rate to Friends of RAMM. Students with a valid NUS card and children are free.

NB – this list will be updated to respond to visitor queries.

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## REPORT TO SCRUTINY COMMITTEE ECONOMY and EXECUTIVE

Date of Meetings: 12 November 2015 and 17 November 2015

Report of: Assistant Director Public Realm

Title: Topsham Flood Alleviation Measures

### Is this a Key Decision?

No

\* One that affects finances over £1m or significantly affects two or more wards. If this is a key decision then the item must be on the appropriate forward plan of key decisions.

### Is this an Executive or Council Function?

#### Council

#### 1. What is the report about?

- 1.1 Consideration of the provision of funding towards the cost of flood alleviation and protection measures for up to 120 properties in Ferry Road Topsham, north of St Margaret's Church, at particular risk from tidal flooding.
- 1.2 Consideration of further funding to underwrite an additional scheme to provide enhanced protection to around 50 further properties to the south of the scheme above, at the lower end of Ferry Road and The Strand.

#### 2. Recommendations:

That Scrutiny Committee - Economy requests Council to approve the following:-

- 2.1 That the Council makes a capital contribution of £20,000, towards Scheme 1 Ferry Road North, described in paragraph 8.2 below, conditional upon the community being able to raise the balance of the shortfall between grants and project cost, estimated at £80,000;
- 2.2 That the Council writes to Hugo Squire MP to establish whether there are any other funds available to meet the shortfall between grants and the project cost of Scheme 1, estimated at £80,000;
- 2.3 That the Council continues to work with community groups and with other agencies to identify external funding for Scheme 1. In addition we will work with the beneficiaries of the scheme with a view to them raising the shortfall between the cost and the grants available; and
- 2.4 That the Council underwrites up to £15,000 of the cost of Scheme 2: Ferry Road South, described in paragraph 8.4 below to enable the works to be commenced during the current financial year. This amount will be conditional upon suitable guarantees from the Topsham Emergency Group being in place for the repayment of the money.

#### 3. Reasons for the recommendation:

- 3.1 Funding for the two flood alleviation schemes outlined in this report is not available within existing budgets. The City Council has no direct responsibility for the impact of flooding except where it is the riparian owner of affected land and where it has responsibilities within the Civil Contingencies Act 2004.

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

- 4.1 Scheme 1 requires a capital contribution of £20,000 subject to community funding being found. There is no budget allocation for this work at present.
- 4.2 Scheme 2 requires £15,000 funding to underwrite the unconfirmed contribution from Topsham Emergency Group. This would be an unbudgeted capital contribution if it was eventually drawn upon.
- 4.3 The additional funding that the Council has received in terms of New Homes Bonus attributable to new housing developments has freed up funds that the Council can use to provide the funding requested.
- 4.4 Staff resources would be absorbed within existing resources to undertake the administration and coordination of funding of the schemes. Similarly, work will be required to ensure that community contributions emerge and this will require significant community engagement if the finances of the scheme are to be found.

**5. Section 151 Officer comments:**

- 5.1 The schemes if approved will be added to the current capital programme. This remains affordable to the Council.

**6. What are the legal aspects?**

- 6.1 Legal advice regarding the content of this report has not been sought from legal services.

**7. Monitoring Officer's comments:**

- 7.1 The Council is being asked to part fund a scheme for which it has no statutory responsibility. In addition it would appear that the extent of the match funding available from the local community/ householder is yet to be quantified.

**8. Report details:**

- 8.1 The Council has been asked to contribute to two flood alleviation and prevention schemes in Topsham, which is receiving greater Government priority for funding following the damage experienced in the storms of Winter 2014.

**8.2 Scheme 1: Ferry Road North**

At a total cost of £300,000, this scheme will offer flood alleviation and protection measures for up to 120 properties in Ferry Road Topsham, north of St Margaret's Church, at particular risk from tidal flooding. The maximum Government grant available is in the region of £180,000 (60%), leaving a shortfall of £120,000 to be made up by equal contributions from local authority and private funding. Devon County Council has pledged £20,000 towards this and the ability of householders to provide the money themselves is as yet unknown. As a result, in order to secure the Government grant, a shortfall of £100,000 must be secured. The contribution recommended within this report will leave some £80,000 of community/householder contributions required. The Council has no existing budget to support this scheme. There would be a modest saving in terms of the cost of emergency tidal flood

defences under normal circumstances. However the exceptional tidal events in 2014 that caused considerable damage and cost overall somewhere in the region of £320,000 was recovered from Government/ Local Levy grants.

8.3 Meetings have progressed with the Topsham Community Association and the Topsham Emergency Group however neither organisation is able to commit to a financial contribution towards the scheme.

#### 8.4 **Scheme 2: Ferry Road South**

At a total cost of £130,000, this scheme will offer flood alleviation and protection measures for around 50 properties at the lower end of Ferry Road and The Strand. £100,000 is available from the Environment Agency through the Local Levy. Devon County Council has agreed a contribution of £15,000 and Topsham Emergency Group is confident that they can raise the remaining £15,000 locally. Exeter City Council has been requested by the Environment Agency to underwrite this local contribution. The Council has no existing budget to support this scheme but revenue budgets would be used should underwriting be necessary given that the risks to the council are small and the benefits to the community significant.

8.5 Both schemes will provide greatly enhanced flood resilience, the northern area being larger but less prone to onshore wave effect. Neither scheme is dependent upon the other, each having a distinct benefit to a particular area. A map is attached at Appendix A.

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

- 9.1
- Keep my environment safe & healthy
  - Maintain our property assets
  - Help me run a successful business

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

- 10.1 Properties along the river will continue to flood without flood resilience measures being put in place. Climate change suggests that the regularity of this will increase. The works directly benefit individual properties and if the householders and community groups are able to make a contribution to these schemes they will realise substantial benefits.
- 10.2 There is a risk that the DEFRA grant for Scheme 1 is not guaranteed and may not be allocated in 2016. This is considered to be a small risk.
- 10.3 There is a risk that the community funding for Scheme 1 will not be raised and the scheme may not be able to proceed. This is considered a significant risk.
- 10.4 There is a risk that the £15K required from local contributions for Scheme 2 may not be raised and this will be an unbudgeted call upon the Council's resources. This is considered to be a small risk.
- 10.5 There is a reputational risk in that if the council does not support the schemes the funding may be lost to the community.

### 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 The City Council could chose to make a capital contribution of £100,000 to Scheme 1 to guarantee the DEFRA funding in 2015. However, there is no budget allocation for this. The Council could also choose not to make any funding available for either scheme. The City Council is not the Flood Authority and has therefore no direct responsibility to finance such schemes.

**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

Areas shown are indicative only. The proposed schemes follow the boundaries of land in our ownership and breaches in the tidal enclosure.



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**REPORT TO SCRUTINY COMMITTEE ECONOMY and EXECUTIVE**  
**Date of Meetings: 12 November 2015 and 17 November 2015**  
**Report of: ASSISTANT DIRECTOR PUBLIC REALM**  
**Title: MARITIME COASTGUARD AGENCY AUDIT 2015**

**Is this a Key Decision?**

No

\* One that affects finances over £1m or significantly affects two or more wards. If this is a key decision then the item must be on the appropriate forward plan of key decisions.

**Is this an Executive or Council Function?**

**Executive**

**1. What is the report about?**

1.1 To advise Members of the outcome of the recent Maritime Coastguard Agency audit of the Port of Exeter.

**2. Recommendations:**

2.1 That Scrutiny Committee Economy notes and the Executive resolves to :  
A. Note the outcome of the Audit and  
B. Support compliance with the Port Marine Safety Code.

**3. Reasons for the recommendation:**

3.1 The Port Marine Safety Code (PMSC) supports the legislation governing the operation of the Port of Exeter. Compliance is not a statutory requirement however failure to comply would be taken into consideration should the Council be found responsible for an incident including loss, damage or personal injury sustained within the Port.

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

4.1 Hitherto compliance with the PMSC has been an aspiration. Although, over the past several years, work has been undertaken to move to a position where our procedures are compliant, there are still a number of critical administrative processes to resolve. A robust Marine Safety Management system and further work on risk mitigation is a priority.

4.2 A report will go to the Greater Exeter Visioning Board which it is intended will lead to a collaborative approach between the three Authorities to the funding and management of the waterways.

4.3 The current provision of a Harbour Patrol was highlighted as of concern and a further report may well follow on this issue, subject to discussions at the Greater Exeter Visioning Board Officer Working Group.

**5. Section 151 Officer comments:**

5.1 There are no additional financial implications contained in this report. Any future funding agreement, which requires additional resources, would require full Council approval.

**6. What are the legal aspects?**

6.1 Compliance with the Port Marine Safety Code will assist the City Council to demonstrate that it has taken reasonable steps to comply with its statutory duties as the Harbour Authority.

**7. Monitoring Officer's comments:**

7.1 This report raises no issues for the Monitoring officer.

**8. Report details:**

8.1 Senior representatives of the Maritime Coastguard Agency visited the council between the 7<sup>th</sup> and 9<sup>th</sup> September 2015 to conduct an audit to assess the degree of our compliance the Port Marine Safety Code.

8.2 Compliance with the Code is not in itself a legal requirement however reference to the council's compliance with the Code is likely in the event of any incident or accident within the Port's jurisdiction.

8.3 Exeter is a municipal harbour authority with statutory responsibilities covering an area from Blackaller Weir to, at its furthest point, approximately 1.4 miles offshore at Exmouth.

8.4 The PMSC focuses on the safe operation of the Port and the diverse use of the Estuary, in particular, represents a significant challenge. Large commercial vessels share water space with high speed powered craft, wind powered boats and kayaks/canoes.

8.5 The Inspectors made a number of recommendations:

- To identify and appoint a Duty Holder who is accountable on behalf of the harbour authority for its compliance with the PMSC. It may be appropriate to consider forming a harbour board or similar governing body to fulfil this function
- Develop and publish a MSMS (*marine safety management system*) for Exeter Harbour Authority
- A designated person should be appointed to provide the duty holder with independent assurance directly to the duty holder that the MSMS is working effectively
- The current database of hazards considers 18 hazards with 24 accompanying control measures. This risk assessment should be reviewed, particularly the control measures, with involvement from as many harbour users or staff who actually use the canal or river as possible. The council should also consider formalising who is responsible for maintaining the database and if any appropriate training needs to be provided. The frequency of when hazards need to be reviewed also needs to be formally clarified ensuring that they are kept ALARP (*as low as reasonable practicable*). All these detail regarding risk assessment should eventually be referred to in the above mentioned MSMS, including any specific risk assessment procedures and policies.

8.6 Inspectors further recommended that within the MSMS the following issues should be considered:

- The council should consider what appropriate licensing or regulation arrangements may need to be introduced for some of the unlicensed domestic passenger or ferry boats which are currently trading within the harbour
- The Harbour Authority should consider how it could best develop and maintain an

appropriate level of maritime expertise in order to discharge and manage some of its port marine related activities

- Consideration should be given to the harbour launch crew training requirement and their specific roles and responsibilities with particular reference to any envisaged regulatory or enforcement functions.

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

- 9.1
- Keep me/my environment safe and healthy
  - Run the council well
  - Provide great things for me to see and do

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

- 10.1
- The risk to life and the environment.  
The risk of litigation.  
Failing in our duty of care as a harbour authority.  
Compliance with the Code mitigates these risks

**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
- Compliance with the Code will ensure that we have done everything reasonably practicable to make the use of our water ways safe and attractive to all age groups in an environmentally responsible way.

**12. Are there any other options?**

- 12.1
- We are not directly legally bound to comply with the Code. Compliance demonstrates that we are a responsible and competent authority.

**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

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## REPORT TO SCRUTINY COMMITTEE ECONOMY

Date of Meetings: 12 November 2015

Report of: Assistant Director Public Realm

Title: Interim Parking Review

### Is this a Key Decision?

No

### Is this an Executive or Council Function?

Executive

#### 1. What is the report about?

- 1.1. To report the interim findings of the Parking Review undertaken by WSP UK Ltd and their initial recommendations for a Parking Strategy for Exeter.

#### 2. Recommendations:

- 2.1. That Scrutiny Committee – Economy supports the emerging strategic approach to parking, working with key partners:-
  - That demand for parking in the City Centre be managed in order to reduce congestion by encouraging drivers into other forms of transport and to change their parking behaviour in peak periods;
  - That the Council implements policies that discourage parking in central car parks which are at or near capacity and encourage drivers to use the less popular car parks outside the central retail area where capacity exists;
  - That a programme of works is identified so that the Council can invest in maintaining car parks, influencing parking demand and improving the customer experience; and
  - That the Parking Review Spotlight Group remain involved in considering policy options around the final strategy and action plan

#### 3. Reasons for the recommendation:

- 3.1. To agree the direction of the emerging strategic approach for the City Council's off-street parking offer and the development of an Action Plan to deliver it.

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

- 4.1. Any further investment in maintaining car parks, influencing parking demand and improving the customer experience will be fully covered from additional parking income, existing Public Realm budgets or with the resources of other stakeholders. There will be no overall increase in the Council's budget. The Action Plan, which will accompany the final report, will set out how the strategic objectives are to be achieved.

#### 5. Section 151 Officer comments:

- 5.1. The recommendation, if approved, to fund a programme of works from any additional income is noted. At present the Assistant Director is only able to approve additional expenditure of £20,000 funded by additional income under financial regulations. As the report contains no specific request for funds above this amount, then an additional

report to Council requesting approval will be required. This could be included in a future budget monitoring report. It would be expected that this funding would transfer to the Corporate Manager Property for investment in line with the forthcoming Asset Management Plan.

## **6. What are the legal aspects?**

6.1. None identified for consideration by the Public Realm team.

## **7. Monitoring Officer's comments:**

7.1. This report raises no issues for the Monitoring officer.

## **8. Background to the Strategy**

8.1. A new strategic approach to parking in the City Centre is required to continue to support a successful economy, given the rapidly changing shopping and leisure demand patterns, and to ensure that car parking capacity is enough to meet future demand.

8.2. Consultants were appointed in August 2014 following a tender process to review and produce a strategy for off-street parking strategy at a cost of £66,435. This included qualitative, operational and capacity reviews of the car parks as well as workshops with key stakeholders and car park users.

8.3. The completed version of the consultant's report has been delayed due to a number of issues but WSP are confident of delivering the final report before the end of December 2015.

8.4. The strategy takes into account existing national and local parking policies, existing parking supply and current and predicted demand, the parking offer and tariffs and the condition of our car parks.

8.5. Two Member Spotlight Reviews have taken place to discuss the consultants' findings. The outcome of these reviews is reported throughout this report.

8.6. The recommended strategic approach is to influence demand for parking in the City Centre to reduce congestion by encouraging drivers into other forms of transport and otherwise to change their parking behaviour in peak periods in order to increase the number of people able to access the City Centre offer.

## **9. Parking Supply**

9.1. The initial findings show that the popular City Centre car parks are at or very near capacity between 11:00 and 15:00 hours on a Saturday. Even at this peak time spaces are available in other City Council car parks although demand will exceed supply in future years.

9.2. The emerging recommendations are that the Council should take a strategic approach that discourages parking in car parks which are at or near capacity and encourages drivers to use the less popular car parks outside the central retail area where capacity exists, such as Cathedral and Quay and Princesshay 2. A number of factors can influence this including price, signage and the condition of the car parks. It also recommends that the Park and Ride offer, where capacity also exists, is factored into this strategic approach.

- 9.3. Once this is achieved, the initial findings recommend the redevelopment of Haven Road car-park, which is significantly under-utilised. Initial advice concludes specifically that parking supply will not be affected by the redevelopment of Bampfylde Street car-park because there is capacity in King William Street nearby.
- 9.4. If no new car parks are to be developed, modal shift will be required to meet future demand. The City Council can encourage this through planning policies and by working with key stakeholders such as the County Council.
- 9.5. Members involved in the Spotlight review supported the principle of encouraging drivers to use the car parks with peak time capacity. The redevelopment of Haven Road car park was not supported.

**10. Car Park Condition**

- 10.1. The initial findings recommend that a new pricing structure is developed to help finance on-going maintenance, refurbishment and equipment renewal programmes.
- 10.2. The consultants identify King William Street, Cathedral & Quay, Mary Arches Street and Harlequins as priority sites for refurbishment.
- 10.3. Members of the Spotlight review group believed that Princesshay 2 should be added to the list of sites for refurbishment.

**11. Parking in Topsham**

- 11.1. Initial advice indicates off-street parking capacity within Topsham but recognises the central area car park (Matthews Hall) is regularly at over-capacity. It includes the recommendation to alter the current short stay tariff at Topsham Quay to encourage longer stays for recreational pursuits.

**12. A Parking Strategy for Exeter**

- 12.1. Key elements of the initial Strategy for the supply, operation and management of Council car parks:-
  - That demand for parking in the City Centre be managed in order to reduce congestion by encouraging drivers into other forms of transport and to change their parking behaviour in peak periods
  - That the Council implements policies that discourage parking in central car parks which are at or near capacity and encourage drivers to use the less popular car parks outside the central retail area where capacity exists
  - That a programme of works is identified so that the council can invest in maintaining car parks, influencing parking demand and improving the customer experience

**13. Interim Recommendations and Response**

The use of 'Park and Ride' (P&R) sites should be encouraged both to reduce central area congestion, and make better use of available parking capacity at weekends.	Supported by Spotlight Group.
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To improve the use of 'Park and Ride' as well as reduce congestion through better routing, a strategic review of signage on the City outskirts and within the central area car parks is recommended.	Supported by Spotlight Group.
Reducing parking availability in the central area and/or sizeable increases in parking tariffs could encourage a modal shift to other modes, or alter end destinations, or suppress journeys being made.	Only recommended if capacity is available and promotion is made of 'Park and Ride' sites and public transport.
To maintain and improve operation and customer experience it is essential that appropriate funding is made available for on-going maintenance, refurbishment and renewal programmes.	Supported by Spotlight Group.
Pay on Foot or Pay on Exit would be the preferred method of operation by the majority of users as it offers flexibility of time spent without pressure of returning to your car, as well as the choice of cash and card payment options at the machine. Promotion of pay by mobile at traditional pay and display car parks allows a marginally lesser level of convenience to pay on foot to the user but allows operational costs to be kept low.	Supported by Spotlight Group and key in feedback from Parking User Focus Group.
The designation and tariff relating to Long Stay parking should apply to car parks where the majority of users park for longer stays. Where there is an abundance of shorter stay parking within a car park then the designation and tariff should be reconsidered.	To be addressed within upcoming Tariff Report.
Increasing Tariff charges will increase revenue as research across UK and Europe suggests demand to be relatively in-elastic.	To be addressed within upcoming Tariff Report.
The Authority should be open to appropriate opportunities on a case-by-case basis for example advertising on ticket machines, hoardings and back of tickets; use of car parks for events; appropriate commercial activities	Agreed and work already on-going in this area.
Residential parking space within a City Centre needs to be considered carefully, with the aim to address the needs of residents without any detrimental impact on the main purpose of the car park.	Consultation required with city centre residents over their parking requirements and realistic pricing of permits.
The Authority should consider charging for Blue Badge Holders within off-street car parks whilst ensuring parking provision is made	To be addressed within upcoming Tariff Report.

closest to the pedestrian desire line exits to reduce walk distance.	
The costs of offering off-street evening parking should be recovered from those using the facility, including staffing, lighting and enforcement.	To be addressed within upcoming Tariff Report.
To review the potential for merging some parking management and operational functions with other departments.	Imminent upgrade of Pay on Foot equipment will include links to ECC Control Centre to enable remote control of barriers 24/7.
Significantly under-utilised car parks during the weekday should be considered as potential re-development / re-generation sites irrespective of their Saturday utilisations.	Spotlight Group supported the general principal but not the proposal of Haven Road. Parr Street was suggested as a more suitable option to investigate.
The overall off street parking provision around Topsham has spare capacity for future growth, though the central area car park is over capacity and regularly over-parked.	To be addressed within upcoming Tariff Report

#### **14. Next steps**

14.1. The final report is expected within a few weeks and an action plan will be prepared to deliver the strategic recommendations with input from the Parking Review Spotlight Group.

#### **15. How does the decision contribute to the Council's Corporate Plan?**

15.1. Not applicable at this stage.

#### **16. What risks are there and how can they be reduced?**

16.1. None at this stage.

#### **17. 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?**

17.1. None at this stage.

#### **18. Are there any other options?**

18.1. None at this stage

**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: Sharon Sissons  
Democratic Services (Committees), Room 2.3, 01392 265275

## EXETER CITY COUNCIL

**REPORT TO:** SCRUTINY COMMITTEE - ECONOMY  
**DATE OF MEETING:** 12 NOVEMBER 2015  
**REPORT OF:** ASSISTANT DIRECTOR FINANCE  
**TITLE:** BUDGET MONITORING REPORT TO 30 SEPTEMBER 2015

### Is this a Key Decision?

No

### Is this an Executive or Council Function?

Council

#### 1. What is the report about?

This report advises Members of any material differences to the revised budget in respect of the Economy Services revenue and capital budgets.

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

#### 2. Recommendations:

**That Members of Scrutiny Committee – Economy note the content of this report in order to be satisfied that prudent steps are being taken to address the key areas of budgetary pressure highlighted in this report.**

#### 3. Reasons for the recommendation:

Local authorities have a statutory duty to set and monitor their budgets during the year and to take any actions necessary because of potential overspending or potential shortfalls in income. Members are therefore presented with a quarterly financial update in respect of Economy Services.

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

The financial resources required to deliver Economy Services during 2015/16 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 projected financial position of Economy Services as at 31 March 2016.

#### 6. What are the legal aspects?

Part 2 of the Local Government Act 2003 provides the legislative framework for the process of setting and managing budgets. In particular, Section 28 of the 2003 Act requires local authorities to monitor their budgets during the financial year.

#### 7. Monitoring Officer's comments:

This report raises no issues for the Monitoring Officer.

#### 8. Report Details:

**Economy Services Budget Monitoring to 30 September 2015**

##### 8.1 Key Variations from Budget

The current forecast suggests that net expenditure for this committee will decrease from the revised budget by a total of £278,160 after transfers from reserves and revenue

contributions to capital, as detailed in Appendix 1. This represents a variation of 28.19% from the revised budget. This includes supplementary budget of £837,460 already agreed by Council.

8.2 The significant variations by management are:

<b>MU Code</b>	<b>Management Unit</b>	<b>Over / (Underspend)</b>	<b>Detail</b>
<b>83A1</b>	Estates Services	£83,820	<ul style="list-style-type: none"> <li>• Non Domestic Rates expenditure expected to exceed the budget.</li> <li>• Income from South Street and Guildhall shopping centre anticipated to be less than budget.</li> <li>• Pay budget anticipated to underspend as is the budget to fund the potential trading loss at Exeter Business Centre.</li> </ul>
<b>83A3</b>	Car Parking	(£114,200)	<ul style="list-style-type: none"> <li>• Income from Off Street parking fees expected to exceed budget.</li> <li>• Additional expenditure anticipated in respect of pay by phone and credit card transaction fees.</li> </ul>
<b>83A4</b>	Economic Development	£45,610	<ul style="list-style-type: none"> <li>• Following the secondment of the Assistant Director Economy on 1 July 2015, his pay costs will be charged entirely to this unit. This will result in salary savings in the services which previously bore his costs, partially offset by honoraria paid to the acting managers.</li> <li>• The unit has an apprentice for which there is no budget; however there are savings elsewhere in the Council where apprentices are no longer employed.</li> <li>• These additional costs are partially offset by a net saving following the deletion of the City Centre Management service.</li> </ul>
<b>83B5</b>	Planning Services	£21,170	<ul style="list-style-type: none"> <li>• Income from planning applications anticipated to exceed the budget.</li> <li>• Additional consultant fees, partly offset by transfer from Local Development Framework reserve.</li> <li>• Recharge from Environmental Health for work carried out expected to exceed budget.</li> </ul>
<b>83B9</b>	Markets & Halls	(£62,930)	<ul style="list-style-type: none"> <li>• Additional income is anticipated from car storage and lettings at the Livestock Centre.</li> <li>• Utility costs at the Corn Exchange are expected to be less than the estimates.</li> <li>• Non Domestic Rates expenditure expected to be less than the budget.</li> </ul>

MU Code	Management Unit	Over / (Underspend)	Detail
83C3	Contracted Sports Facilities	(£220,000)	<ul style="list-style-type: none"> <li>As a result of the sports facilities contractor acquiring charitable status, the income receivable under the contract will increase.</li> <li>The estimated contribution required from the Council for utility costs is expected to be excessive, leading to a cost saving.</li> </ul>

## 9. Capital Budget Monitoring to 30 September 2015

To advise members of the financial performance in respect of the 2015/16 Economy Capital Programme.

### 9.1 Revisions to the Economy Capital Programme

The 2015/16 Capital Programme, including commitments brought forward from 2014/15 was last reported to Scrutiny Committee – Economy on 10 September 2015. Since that meeting the following changes have been made to the programme:

Description	£	Approval/Funding
<b>Capital Programme, as reported to Scrutiny Committee – Economy, 10 September 2015</b>	<b>3,650,880</b>	
Budget Accelerated from 2016/17 at Quarter 1	1,101,870	Approved by Executive 6 October 2015
Overspends/(Underspends) reported at Quarter 1	(21,770)	
<b>Revised Capital Programme</b>	<b>4,730,980</b>	

### 9.2 Performance

The current Economy Capital Programme is detailed in Appendix 2. The appendix shows a total spend of £438,584 in the first six months of 2015/16 with £22,880 of the programme potentially deferred to 2016/17.

### 9.3 Capital Variances from Budget

The main variances and issues concerning expenditure in 2015/16 are:

Scheme	Estimated Overspend / (Underspend) £	Reason
Coin Counting Equipment	(26,340)	This budget was approved to enable ECC to collect and count our own cash but the preferred option is now to re-visit the partnership agreement with TDC to improve the financial fairness of the arrangement.

Storage of Archives	(10,000)	This budget is funded by S106 monies of which £10,000 is required for revenue purposes rather than capital.
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#### 9.4 Capital Budgets Deferred to 2016/17

Schemes which have been identified as being wholly or partly deferred to 2016/17 and beyond are:

Scheme	Revised 15/16 Budget £	Budget to be Deferred £	Reason
Heavitree Environmental Improvements	22,880	22,880	Agreement on a proposed scheme has not been reached with local groups.

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

Economy Service budgets contribute to 3 key purposes, as set out in the Corporate Plan; keep me/my environment safe and healthy, keep place looking good, help me find somewhere to live.

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

Areas of budgetary risk are highlighted in this report. The key areas of budgetary risks within Economy Services are attached as Appendix 3, for reference.

#### 12. 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

#### 13. Are there any other options?

No

**DAVE HODGSON**

Assistant Director Finance

**Report Authors :-**

**Steve Harrison Principal Accountant**

**Paul Matravers Principal Accountant**

**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

**SCRUTINY COMMITTEE - ECONOMY  
BUDGET MONITORING**

**APRIL 2015 TO SEPTEMBER 2015**

ACTUAL TO DATE			YEAR END FORECAST				
PROFILED BUDGET	ACTUAL TO DATE	VARIANCE TO DATE	CODE	APPROVED BUDGET	CURRENT OUTTURN FORECAST	FORECAST VARIANCE	QTR 1 FORECAST VARIANCE
£	£	£		£	£	£	£
(2,348,358)	(2,216,569)	131,789	83A1	(2,483,380)	(2,399,560)	83,820	45,000
12,798	5,574	(7,224)	83A2	44,090	44,090	0	0
(2,755,109)	(2,883,532)	(128,422)	83A3	(5,265,710)	(5,379,910)	(114,200)	(7,500)
373,749	329,144	(44,606)	83A4	851,180	896,790	45,610	45,610
90,600	96,084	5,484	83A5	196,750	189,470	(7,280)	2,120
178,947	174,971	(3,976)	83A6	398,460	398,460	0	0
(4,164)	1,273	5,437	83A8	43,000	43,000	0	0
(36,732)	(111,740)	(75,007)	83A9	43,980	46,980	3,000	0
4,524	(16)	(4,540)	83B1	52,040	52,040	0	0
115,128	103,258	(11,870)	83B4	0	0	0	0
412,155	203,227	(208,928)	83B5	963,390	984,560	21,170	96,730
26,400	21,547	(4,853)	83B6	107,190	101,190	(6,000)	0
0	6,415	6,415	83B7	0	11,420	11,420	4,450
15,000	23,476	8,476	83B8	30,000	30,000	0	0
(249,806)	(493,087)	(243,281)	83B9	(372,210)	(435,140)	(62,930)	(45,620)
(15,173)	(21,310)	(6,138)	83C1	61,770	61,770	0	0
1,009,544	912,124	(97,420)	83C2	2,348,530	2,347,730	(800)	2,500
212,373	128,187	(84,186)	83C3	1,480,400	1,260,400	(220,000)	(220,000)
(43,486)	(42,918)	568	83C4	(4,260)	530	4,790	9,500
380,281	292,970	(87,311)	83C5	334,490	334,490	0	0
1,270,825	1,078,695	(192,131)	83PRAE	2,157,000	2,166,880	9,880	(6,380)
				0			
<b>(1,350,504)</b>	<b>(2,392,229)</b>	<b>(1,041,725)</b>	<b>NET EXPENDITURE</b>	<b>986,710</b>	<b>755,190</b>	<b>(231,520)</b>	<b>(73,590)</b>

**VARIANCES ON TRANSFERS TO / (FROM) EARMARKED RESERVES**

83B5 - Local Development Framework	(20,220)
83B7 - AFU Archives & Boxing	(11,420)
83C2 - Museum Service	(15,000)

**REVENUE CONTRIBUTION TO CAPITAL**

<b>OVERALL FORECAST EXPENDITURE FOR THE YEAR AFTER MOVEMENTS TO/FROM RESERVES</b>	<b>708,550</b>
<b>REVISED BUDGETS</b>	<b>986,710</b>
<b>ADJUSTED OUTTURN VARIANCE</b>	<b>(278,160)</b>

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## CAPITAL MONITORING TO 30 SEPTEMBER 2015

	2015/16 Capital Programme	2015/16 Spend to 30 September	2015/16 Forecast Spend	2015/16 Budget to be Carried Forward to 2016/17 and Beyond	2015/16 Programme Variances (Under)/Over
	£	£	£	£	£
<b>ECONOMY</b>					
<b>KEEP PLACE LOOKING GOOD</b>					
Exhibition Way Bridge Maintenance	39,980	400	39,980		
Canal Bank Repairs & Strengthening	1,060		1,060		
National Cycle Network	4,500	4,500	4,500		
Repair to Turf Lock Gates	145,320	300	145,320		
Repair Canal Bank at M5	60,000	14,500	60,000		
Cathedral Yard - Replace Street Lighting	20,000		20,000		
Replace Car Park Ticket Machines	200,000		200,000		
Coin Counting Equipment	26,340				(26,340)
Phoenix - Replace Air Conditioning Units	30,000		30,000		
<b>PROVIDE GREAT THINGS FOR ME TO SEE &amp; DO</b>					
Replace Running Track at Exeter Arena	205,720	2,412	205,720		
Sports Facilities Refurbishment	67,000	3,487	67,000		
RAMM Development	382,380		382,380		
Passenger Lift at RAMM	45,000		45,000		
RAMM Shop	68,000		68,000		
Storage of Archives	21,020		11,020		(10,000)
Livestock Market Electrical Distribution Boards	12,650		12,650		
Livestock Centre Roof Replacement	1,250,000	7,890	1,250,000		
City Centre Enhancements - TV Screens	40,000		40,000		

## CAPITAL MONITORING TO 30 SEPTEMBER 2015

	2015/16 Capital Programme	2015/16 Spend to 30 September	2015/16 Forecast Spend	2015/16 Budget to be Carried Forward to 2016/17 and Beyond	2015/16 Programme Variances (Under)/Over
	£	£	£	£	£
<b>DELIVER GOOD DEVELOPMENT</b>					
Newcourt Community Hall (S106)	10,000	130	10,000		
Newcourt Community Hall (Grant)	36,240		36,240		
Newtown Community Centre (1st Grant)	50,000		50,000		
Newtown Community Centre (2nd Grant)	49,000	2,250	49,000		
Countess Wear - Village Hall	75,000		75,000		
Beacon Heath Martial Arts & Boxing Club - New Roof	21,810		21,810		
Devonshire Place (Landscaping)	13,690	8,634	13,690		
Alphington Village Hall (Repairs & Extension)	50,000		50,000		
St Sidwells Community Centre	40,000	11,720	40,000		
Exeter Gymnastics Club	40,000	40,000	40,000		
City Centre Enhancements	8,260	177	8,260		
Paris Street Roundabout Landscaping & Sculptural Swift Tower	24,840	14,521	24,840		
Heavitree Environmental Improvements	22,880			22,880	
Ibstock Environmental Improvements	3,240	945	3,240		
Local Energy Network	67,050	67,050	67,050		
Leisure Complex - Build Project	1,600,000	259,668	1,600,000		
<b>ECONOMY TOTAL</b>	<b>4,730,980</b>	<b>438,584</b>	<b>4,671,760</b>	<b>22,880</b>	<b>(36,340)</b>

## AREAS OF BUDGETARY RISK

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

The revenue budget areas of risk are:

Budget Title	Approved Budget	Risk
<b>Revenue: Estates Services</b>	(£2,438,380)	<p>The income budget in respect of the council's property portfolio is in the region of £3.5m. A void allowance is included in the budget to cover any shortfall of income for the unoccupied properties. However if properties remain void for a long period, there is a risk that the income budget may not be achieved.</p> <p>In addition, if properties remain void for a long period the Non Domestic Rates liability falls on the council.</p>
<b>Revenue: Car Parking</b>	(£5,625,710)	<p>The fee income budget for car parking is £5.6m; figures to date indicate that this should be achieved.</p> <p>However, a 2% shortfall in income would mean a shortfall of £112k against the budget.</p>
<b>Revenue: Planning Services</b>	763,390	<p>There has been a number of planning decisions which have been appealed. This has resulted in a need for external consultancy advice.</p> <p>To date £57k has been spent with an additional £25k anticipated for ongoing appeals. There is a risk that further expenditure, over and above the £80k, will be required.</p>
<b>Revenue: Markets &amp; Halls</b>	(£372,210)	<p>In recent years, the Markets and Halls service has achieved higher net income than estimated. The income estimates for 2015/16 were increased from £1.45m to £1.58m, and the outturn for 2014/15 exceeded those estimates. However, some sources of income cannot be guaranteed to continue at current or historical levels so there is a risk that the income budget may not be achieved.</p>

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**REPORT TO:** SCRUTINY COMMITTEE ECONOMY  
**Date of Meeting:** 12 November 2015  
**Report of:** Employment & Skills Board Partnerships and Projects Manager  
**Title:** Update on the Exeter & the Heart of Devon Employment and Skills Board

**Is this a Key Decision?**

No

**Is this an Executive or Council Function?**

No function is being exercised. This report is for information only.

**1 What is the report about?**

- 1.1 To update Members on the activities and progress of the Exeter and the Heart of Devon Employment and Skills Board (ESB) in promoting the value of skills development, supporting business growth and getting local people into work.
- 1.2 The report explores some of the skill issues affecting the local economy, sets out the ESB's priorities and plans, and provides examples of where the Board has made a difference over the last 12 months.

**2 Recommendations:**

- 2.1 That the Scrutiny Committee Economy note the report, comment on the progress made and priorities set by ESB in prioritising, planning and implementing interventions designed to better skill a more productive workforce in support of a sustainable and thriving economy.
- 2.2 Funding for the post of ESB Partnerships and Projects Manager's role is extended post March 2016 for a further three years.

**3 Reasons for the recommendation:**

- 3.1 To inform members of progress made in the last 12 months and to ensure the valuable work undertaken by the ESB continues.

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

- 4.1 Exeter City Council and East Devon District Council co-fund the Partnerships and Projects Manager's role each contributing £15,000 per year to coordinate and deliver ESB activity, across the Exeter and the Heart of Devon area.

**5 Section 151 Officer comments:**

- 5.1 There are no additional financial implications contained within this report.

**6 What are the legal aspects?**

- 6.1 None.

**7 Monitoring officer Comments:**

- 7.1 This report raises no issues for the Monitoring Officer.

## 8. Background

- 8.1 The purpose of the ESB is to develop '**a local world-class workforce where every individual matters**'. This underpins everything we do.
- 8.2 The ESB is an employer-led group with representation from businesses in key economic sectors which works in partnership with facilitators, funders and providers.
- 8.3 Between September 2013, when Gill Bishop the previous Partnerships and Projects Manager left and May 2014 when the current post holder Oenone Thomas was recruited, the ESB was inactive. The post is funded until March 2016. Significant progress and success has been made by the ESB since May 2014.
- 8.4 The ESB has a web presence where up-to-date information about their direction and achievements can be found. We encourage an interactive approach through <http://GreaterExeterSkills.com> and @ExeterSkills.
- 8.5 The ESB are looking to address underlying issues in order to improve opportunities for local people and help them to benefit from employment growth. It is informed by reports and research and most recently the Exeter & the Heart of Devon Skills Plan Evidence Base (July 2015) researched and written by Ben Neild of the Marchmont Observatory, University of Exeter which identifies some possible skills priorities.

## 9 The Exeter & the Heart of Devon Skills Plan Evidence Base

- 9.1 The University of Exeter and the ESB have a good collaborative working relationship. As a result of this approach, the University offered Ben Neild's (Marchmont Laboratory) time and expertise to write the Exeter & the Heart of Devon Skills Plan Evidence Base. The purpose of the report was to provide an evidence base for ESB's priority setting. Previously, priority setting had been based on local intelligence gathering from board members and other more general associated research. A copy of the University of Exeter research can be viewed on <http://greaterexeterskills.com/world-class-workforce/>
- 9.2 The University of Exeter report focuses on EHOD within a regional and national context. The priorities within the report complement those identified by members of the board and current work areas, which are highlighted below.

### 9.2.1 **Improving information advice and guidance.** The ESB:

- contributed to the development of the Careers Education Information Advice and Guidance standards commissioned by the HotSW LEP, in particular to the assurance that advice is independent of the provider
- are working with Industrial Cadets and Education Business Partnership South West to pilot accredited one week World Class Work Experience Placements at Silver Level (30 hours) with un-paralleled opportunities for a group of pilot schools
- continue to work on the Rugby Empowering Employment Programme (REEP) and are developing the Business Empowering Employment Programme (BEEP) to help young people who have experienced difficulty finding their way with work or training. REEP and BEEP both combine an intensive 10 day programme where individuals explore and reflect on their skills, talents and ambitions with a transition to work supported by volunteer trained mentors. HRH Prince Harry requested a meeting with REEP young people during his recent visit.

### 9.2.2 **Linking local people to local job creation.** The ESB:

- focused on employment and skills development around construction by researching and recommending that local councils align their planning and procurement policies to ensure that developers provide local employment and skills development opportunities. Implementation through the Construction Industry Training Board's (CITB) Client Based Approach and a jointly funded coordinators post is currently being sought.
- bid for and used £52K European Local Response Funding to pilot Customer Service Training in preparation for Rugby World Cup 2015 in Exeter as a model for a burgeoning 'event tourism' sector as the sector seeks to diversify. 256 participants received free training and 79% voluntarily undertook free City & Guilds Level 2 accreditation paid for by our funding.
- helped young people who have experienced difficulty finding their way with work or training through REEP (and now BEEP) which receive referrals from JobCentre Plus, Careers South West, St Loyes and other organisations. REEP exemplified collaborative working and has made a positive difference to the lives of participants.
- is discussing with Crown Estates and Princesshay to provide a work place coordinator focusing on retail/hospitality.

### 9.2.3 **Growing the number of apprenticeships.** The ESB:

- hosted the National Apprenticeship Week 2015 – the Exeter & the Heart of Devon Summit at River Cottage to bring together local councils and experts for an Apprenticeship Update
- hosted the National Apprenticeship Week Employer Engagement Evening at River Cottage that opened with an interactive hour of discussion and which included a range of topics from micro business considering employing apprentices for the first time, through to major employers wishing to combat their ageing workforce through an investment in younger people and more apprentices
- are piloting a 'carousel approach' Level 2 or 3 in Digital Marketing Apprenticeship. Lead by Cosmic apprentices will experience work with a range of host employers. The hypothesis is that this model will appeal to smaller businesses who do not wish or cannot provide a full-time apprenticeship and advantage the apprentices who will have experience in a number of sectors with a range of employers. Cosmic has bid for funding to help off-set the additional costs of the pilot and is currently waiting to hear about the result of the bid.
- are promoting, wherever possible, South West Apprenticeships, which employs construction apprentices who then work for a number of contractors in a similar way to the carousel approach pilot model. Construction is a particularly important sector for EHOD
- promoted opportunities, initiatives and local success stories through social media such as the local National Apprenticeship Week winners and Vocational Employer Awards, and apprenticeship vacancies. We have begun to work with DCC on an Express & Echo campaign for the end of 2015/early 2016.

### 9.2.4 **Addressing low levels of progression into Higher Education.** The ESB:

- works with organisations like Education Business Partnership South West, Careers South West, and the University of Exeter which reach out to bridge the gap and fly the flag for greater progression to Higher Education. We promote and where possible contribute to these important endeavours
- mantra of creating a local World Class Workforce where every individual matters raises the aspirations of our employer, provider, funder and facilitator members and the young people that they influence

- work with Industrial Cadets and Education Business Partnership South West to pilot accredited one week World Class Work Experience Placements at Silver Level (30 hours) with un-paralleled opportunities will, we hope, raise aspirations and encourage students to stretch their horizons and possibly consider progression to Higher Education
- were instrumental in retaining Big Bang South West 2016 event, which will be attended by 2000 young people from the South West, at the University of Exeter for 2016 and 2017.
- Work with the University of Exeter to improve the reach of their Outreach team is currently underway.

#### 9.2.5 **Graduate Retention.** The ESB:

- promoted the University of Exeter's 'Careers in the South West Campaign' through social media and by encouraging our local employers to contribute to the event held at the University of Exeter
- identified the need for earlier exposure to undergraduates of local employment opportunities to compete with national and international corporates who woo undergraduates from year one
- promoted the University of Exeter's 'Work Shadow Scheme' through Social Media
- invited current undergraduates to the 'Unlocking Big Data – Investing in Human Capital' event at the Met Office to gather their input and so that they had the opportunity to meet with local Big Data employers
- contributes to initiatives like Innovation Exeter and the Impact Lab.

#### 9.2.6 **Higher level and technical skills to support smart specialisation.** The ESB:

- has organised and hosted an 'Unlocking Big Data – Investing in Human Capital' interactive event at the Met Office focusing on the people and skills needed to exploit the opportunities of the 'new oil'. The intelligence and interest gathered has informed decision making and linked with developments with the Science Park, Innovation Exeter and other related events
- contributed to the Heart of the South West Local Enterprise Partnership's Digital Skills, SW Digital Forum, Impact Lab, and Open Data Institute Devon events
- promoted events and news related to higher level and technical skills supporting smart specialisations using social media

## 10 **Exeter and the Heart of Devon Employment & Skills Board**

- 10.1 The ESB's primary objective is to understand, facilitate and promote the skills needs of businesses within Exeter & the Heart of Devon economic area and to improve the skills of the workforce. The ESB's mission is vital to the prosperity of the area and to the prospects of individuals and families. Simply put, the ESB's mission is a "local world-class workforce where every individual matters".
- 10.2 Mark Shepherd, Chair of the ESB, is a Waitrose Manager, member of the East Devon Business Forum and importantly a member of the Heart of the South West (HoSW) Local Enterprise Partnership (LEP) People Group. The People Group is one of the key groups advising the HoSW LEP Board focusing on employment and skills. Mark Shepherd provides the Exeter and the Heart of Devon area with vital direct representation and will help ensure that the region is appropriately represented.
- 10.3 As previously mentioned, a new ESB Partnerships and Projects Manager was recruited in May 2014 on a fixed-term contract until March 2016. The new board has an improved membership with significant employer representation for key sectors across the partnership area broadly covering the increasingly large Travel to Work area of Exeter. The Chair is in

the process of recruiting two new members. The structure and frequency of ESB board meetings has been streamlined to two full board meeting every six months and the Employers Group, and Facilitators, Funders and Providers Group meeting roughly every quarter.

- 10.4 In the last year successful funding applications have secured circa £68,000 to fund numerous training opportunities and significant amounts of in-kind support. Further funding will be sought through a range of sources although this is a resource intensive exercise and not always successful.
- 10.5 The ESB informs and influences, but the ability to address priority areas is largely dependent on the ESB's ability to attract funding and in-kind support. Without an ongoing revenue budget the ESB may not be as successful in achieving the priorities listed. Funding opportunities will be pursued and priority given to those which offer the best fit to enable the delivery of priority areas listed in section 9. In order to simplify the bidding process the ESB has resurrected EHOD ESB Co Ltd and is attempting to open a bank account although this is hampered by red tape. Individual employer members have a part to play in working within their own sectors and as a collective leading by example.
- 10.6 In the previous 12 months the ESB has:
- **RWC Hospitality Training**
    - Successful bid for £53,438 of European Funding
    - 10 courses successfully completed at Sandy Park
    - 109% target (256 delegates)
    - 79% delegates opted to take a free optional Level 2 qualification
    - An evaluation of the initiative was completed and disseminated
    - The Purple Cloud (training provider) & EHOD ESB proved an excellent combination
  - **REEP (Rugby Empowering Employment Programme)**
    - Very successful and intensive – these young people were the “furthest from the workplace” (see the attached case study)
    - 13 (93%) young people still engaged
    - BBC Inside Out and Archant publications featured REEP in September
    - Darts Farm & Midas sponsored a celebration on 29 September with RWC 2015 tickets
    - Young People had an audience with HRH Prince Harry on 7 October
  - **BEEP (Business Empowering Employment Programme) a charity**
    - Making REEP sustainable by asking business for sponsorship
    - The Great BEEP Launch 1 October at the Innovation Centre well attended
    - Three Young People were the ‘stars of the show’
    - Businesses keen to meet young people in person
    - Will need to pursue this effort to ensure that this remains an option for similar young people in our communities
  - **Innovation Exeter**
    - The employment and Skills agenda is ‘ascending’
    - ESB delighted to be part of Innovation Exeter
    - Links well with our Science Technology Engineering Mathematics focus
    - ESB instrumental in saving Big Bang SW (2,000 young people in one day) for Exeter in 2016 and 2017
    - EHOD Skills Plan Evidence Base a useful for resource

- **National Apprenticeship Week (NAW)**
  - Summit with all local councils and HotSW LEP represented for NAW 2015
  - Event at River Cottage with new contacts made for NAW 2015
  - Further work with Devon and National Apprenticeships and now contributing to National Apprenticeships Week 2016
  - Disseminated of the consultation paper about the Employer Levy
- **Local Employment & Skills in Construction**
  - Imperative huge and imminent but a long slow progress
  - Concordat between councils to adopt same approach
  - Councils asked to co-fund post to facilitate and enforce which has yet to happen
  - Interim measures being adopted on piece-meal basis, led by EDDC
- **Digital**
  - Planning to pilot a Carousel ESB Digital Apprenticeship
  - Working on a Digital Strategy for EHOD with three elements to skills:
    - higher/technical/analytical data
    - Digital Leadership
    - digital skills for modern workforce and living
  - Organised a highly successful 'Unlocking Big Data – Investing in Human Capital' event at the Met Office
  - Submitted evidence to an MPs Select Committee
- **World-class Work Experience**
  - Pilot of World-class Work Experience a quality assured and accredited scheme with:
    - Industrial Cadets (Duke of Edinburgh Award for Work Experience)
    - Education Business Partnership SW (legal and insurance assurance)
  - To accredit Work Experience at Silver Level 30 hours
  - This will be our flagship activity for work with schools
  - Possibilities to extend to undergraduates and returners to workforce
- **SOLD (Shared Opportunities for Learning and Development)**
  - Early stage of development of free places on in-house employer courses
  - Piloting with Michelmores free places to micro and small businesses (in first 2 years)
  - Plan to roll out across sectors if pilot is successful
- **GreaterExeterSkills.com**
  - Blog main communications mechanism and reduction of duplication
  - Link from [www.exeter.gov.uk](http://www.exeter.gov.uk)
  - GreaterExeterSkills works well and can link to reports and to twitter feed
  - More work on branding happening so that ESB work is rightly recognised
- **Information and Influence**
  - Maximising our limited resources to inform and influence
  - Providing pertinent information to the region eg ESIF event. The ESB ran a well attended European Structural and Investment Fund (ESIF) and Big Lottery Opportunity information event to inform partners about funding opportunities and to encourage collaborative working. ESIF funds are typically awarded for projects which cover the whole LEP region.
  - Collecting and collating evidence to influence eg EHOD Leaders, DWP and MP select committees

## **11 Regional context**

- 11.1 The landscape in which we operate is volatile, uncertain, complex and ambiguous. Cuts to Adult Learning of 15% in 2013 and 2014, 28% in 2015 and a further 25 - 40% are predicted, as a result of this, talented and experienced teachers and tutors have left the profession. Budgets for Adult Learning, except for apprenticeships, have been cut.
- 11.2 A whole HotSW LEP area review will be undertaken with two Further Education colleges at real risk. European funding has been delayed leaving gaps between previous and new (where it will exist) provision. International training bodies are bidding for contracts which are mainly being offered HotSW LEP wide. The view is that progression up the skills ladder will fall short for those in highest need.
- 11.3 On a more positive note partnership working is the best way to mitigate the negatives, apprenticeships will receive more funding through the employer levy (although there is growing criticism of the value of many of the apprenticeships on offer), our colleges are rated highly by OFSTED and there are opportunities through possible devolution. Within this context ESB is planning a programme of meetings and activities for 2016 although currently the partnerships and projects manager post is funded only until March 2016.

## **12 Value Added**

- 12.1 Apart from the £68,000 of funding won by ESB to enhance skills within EHOD there have been significant successes which add value and weight to the business case for the existence of the ESB.
- 12.2 Much of our work is long-term and difficult to measure meaningfully using a quantitative approach. However, we have:
- Adopted a qualitative case study approach
  - Published evaluation reports for REEP (which includes a calculation of the significant in-kind contributions) and RWC 2015 Hospitality Training
  - Used an iterative design approach with careful piloting and planning of projects to maximise opportunities and minimise resources when working with partners
  - Benefitted from generous in-kind ongoing employer partner contributions estimated to be equivalent to over £100,000:
    - £9,240 of employer partners time
    - £3,000 of free venue and hospitality (for ESB employer, and facilitator, funder and provider meetings and does not include event venues and hospitality at The Met Office, Innovation Centre etc)
    - In excess of £20,000 equivalent of our Chair's voluntary time and support from Waitrose for fuel and resources
    - Michelmores provide pro-bono advice, secretarial and legal support for EHOD ESB Co Ltd the cost of which we have yet to calculate but nevertheless appreciate greatly
  - ESB is well respected and recognised as an active, creative and cross-border agent and as such has attracted attention from across the broader region.
  - The Partnerships and Projects Manager works in partnership with council colleagues, especially those in Economic Development, and the Exeter and East Devon Growth Board to provide intelligence, and complement their activities and priorities
  - It might be tempting to put a value on the ESB by estimating what the costs of not helping the Young People on the REEP programme who now have employment and more positive futures, or of not training those in hospitality interacting with RWC

2015 visitors who benefitted from Event Customer Service training organised and funded through the ESB. Such considerations are interesting but can be subjective.

### **13 How does the decision contribute to the Council's Corporate Plan?**

13.1 The ESB seeks to identify and address skills and employment issues affecting the local economy. It contributes to delivering the council's corporate plan, including:

- 'Help me run successful business – promote the city nationally and internationally to secure investment and attract new businesses and skilled workers.' The ESB's aspiration is to up-skill the local workforce to support local business productivity and thereby help to attract new businesses to relocate here. The successful bid for European Funding is an example of helping hospitality and tourism businesses to maximise the opportunities provided by RWC 2015.
- 'Help me get back to financial independence – promote investment in training provision for employers and progress projects which support local people to take advantage of job opportunities'. The ESB's current projects cover a range of skills needs from those furthest from the workplace to highly skilled specialist skills development. The majority of small businesses rely on on-the-job training with little formalised learning. This works well where an existing skills set needs to be replicated but it does not address skills which are new to the organisation. The ESB promotes investment in training provision through its connection with the HoSW LEP and the Facilitators, Funders and Providers group.
- Help me get back to financial independence – work with local partners to explore how we can join up services to help residents to find or get back into employment – The ESB works with organisations such as Jobcentre Plus, Careers SW, Pluss and St Loyes in order to join up services. For example in the REEP project by recruiting participants through Jobcentre Plus we leverage their funding streams for help with transport and childcare, protect participant's entitlements and help our partners to achieve their own goals. This approach will continue through BEEP.
- 'Work through the Exeter and the Heart of Devon Employment and Skills Board and JobCentre Plus will address skills and qualifications of young people in providing opportunities through training, employment and apprenticeships' – The ESB has identified as a priority the necessity to work with Young People and employers to improve opportunities for Work Experience by implementing the quality assured accredited World-class Work Experience initiative (similar to Duke of Edinburgh's Award), with partners Industrial Cadets and Education Business Partnership – SW

### **14 What risks are there and how can they be reduced?**

14.1 Without the City Council's contribution to funding the post of ESB Partnerships and Projects Manager this important work will not be achieved. This was demonstrated when the previous post holder was not replaced immediately which led to the demise of the organisation and the difference it made.

14.2 Considerable thought and effort has been dedicated to achieving high-calibre board membership who bring considerable expertise, knowledge, profile and resources to the ESB. Their involvement will be lost should the ESB lapse again.

### **15 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?**

15.1 The ESB promotes equality and diversity within the workforce, and safeguards young people and vulnerable adults. By consciously reflecting that 'we are doing the right thing' we will safeguard the environment and individual's health and well being:

- The ESB Employers have identified their difficulties in achieving diversity within their workforces. This has become one of the ESB priority areas particularly around gender equality in construction where only 2% of trades and 8% of professionals are female. Within the REEP project, which could easily become predominately male, partners have been asked to consciously recruit females nevertheless only 16% were female (which in part reflects the nature of the pool from which the young people were drawn).
- DBS checks are being carried out on all mentors recruited for the REEP and now BEEP projects as the participants are potentially under 18 years of age or considered vulnerable. There are financial and time resource implications of this route but without this measure we cannot work with this age group.
- Education Business Partnership – The ESB will ensure that all young people and employer hosts participating in our World-Class Work Experience placements are appropriately covered by insurance for the placement.
- It is recognised that working individuals with greater control over their own destiny than those out of work, are happier and healthier individuals. In turn they provide better role models for their children and contribute to the local economy. The work of the ESB supports this.

## **16 Are there any other options?**

- 16.1 The HoSW LEP is one of the largest LEPs in England and has varied and vast issues across the full LEP area. There have been discussions that there should be a Devon-wide ESB although the existing arrangement was thought more effective in delivering the particular needs of the differing functional economic areas within Devon. The EHOD ESB is well-placed as the only Employer-led ESB within the HotSW LEP to over-weather the proposed Local Area Inspection Framework and the frequent rounds of funding cuts to the training provider sector.

**Oenone Thomas, ESB Partnerships and Projects Manager**

**Victoria Hatfield, Economy & Tourism 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

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**REPORT TO:** SCRUTINY COMMITTEE – ECONOMY  
**Date of Meeting:** 12 November 2015  
**Report of:** Economy & Tourism Manager – Victoria Hatfield  
**Title:** Exeter & the Heart of Devon Visitor Research 2015

**Is this a Key Decision?**

No

**Is this an Executive or Council Function?**

No function is being exercised. This report is for information only.

**1. What is the report about?**

- 1.1 To report on the annual volume and value of tourism data for Exeter & the Heart of Devon, the results of the Visit England visitor satisfaction tracker, research relating to "The Gove Effect" and general trends within the visitor industry.

**2. Recommendations:**

- 2.1 That Scrutiny notes the report and comment on the research detailed within this report.

**3. Reasons for the recommendation:**

- 3.1 To inform members on the number of visitors to the area, visitor spend and trends within the visitor economy.

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

- 4.1 Research detailed within this report is for paid externally, by either Visit Devon or the Exeter & the Heart of Devon Tourism Partnership. The results of all research projects will be used to adjust marketing activity undertaken by Exeter City Council, Exeter & the Heart of Devon Tourism Partnership and Visit Devon.
- 4.2 Marketing activity, on behalf of Exeter & the Heart of Devon Tourism Partnership, is undertaken by the Tourism Promotion & Support Officer (3 days per week) of Exeter City Council, their work will be adjusted as a result.

**5. Section 151 Officer comments:**

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

**6 What are the legal aspects?**

- 6.1 None.

**7. Monitoring officer Comments:**

- 7.1 This report raises no issues for the Monitoring Officer.

**8. Background**

- 8.1 The Exeter & the Heart of Devon Tourism Partnership and Visit Devon commission research on an annual basis to monitor trends within the visitor economy, to ensure that marketing activity undertaken to promote the area is succeeding in its purpose and that general changes within the visitor economy are taken into account. The results of international, national and local research are used to paint a picture of how the visitor economy is performing within the city and the rest of Devon.

- 8.2 Exeter & the Heart of Devon Tourism Partnership (Exeter, East Devon, Mid Devon and Teignbridge) commission The South West Research Company to undertake annual volume and value research on the visitor economy. This research identifies how many people visit the area, how much they spend whilst holidaying in the area and on what plus the number of jobs supported by this spend. This research is used to monitor trends over time and changes within the visitor economy; with the results being used to alter marketing activity and investment within the visitor product.
- 8.3 Visit Devon commission Visit England to undertake visitor research to enable them to gain a better understanding of how Devon compares to other destinations within England. Visit Devon also commissioned a local company to undertake research on the impact of national regulations governing taking children out of school during term time – “The Gove Effect”. The Tourism Society and The South West Tourism Alliance also commissioned Plymouth University to undertake research on the impact and solutions to taking children out of school in term time across the whole of the South West region.

## 9 General trends within the visitor industry

- 9.1 From a wide range of sources, including Visit England, Visit Devon and various independent research reports, the following have been highlighted as recent trends within the visitor economy, which would play a direct impact on people holiday in Exeter and the Heart of Devon. These include:
- Predicted holidays of 7 nights or more are at their lowest level since 2010, indicating that the ‘staycation’ is in decline.
  - The drop in UK holidays (the ‘staycation’) is primarily driven by ABC1’s (socio economic groups) upgrading to overseas holidays and C2DE’s considering fewer holidays.
  - Overall feelings of job security has improved, which has resulted in an increase on spend on holidays.
  - Just under half of holiday makers stay for approx 5 – 7 nights.
  - Seaside destinations within the South West have witnessed a drop in bookings; this is primarily due to the area being very weather dependent.
  - The South West still remains one of the most popular holiday destinations within the UK, with 25% of people indicating they will holiday in this area.
  - Smartphone use whilst on holiday increases dramatically year on year.
  - Devon was the third most popular destination within the UK; it has now slipped one place to fourth.
  - The majority of holidaymakers are likely to stay in a 3 star hotel or a self-catering unit.
  - Social media is still the dominant force for influencing holiday decisions.
  - Approximately 88% of holiday makers use a mobile device whilst on holiday, using it for:
    - telling people about their holiday and sharing photos
    - maps
    - updates on weather reports
    - accessing social network websites
    - games
    - keeping up to date on the latest news & sport
- 9.2 From the trends indicated above, having reliable and super-fast wifi and broadband within Exeter and the Heart of Devon is vital to ensure each and every visitor has the experience they expect when visiting the area.

## 10 The Gove Effect

- 10.1 In 2013 the then Education Secretary introduced changes to the regulations governing taking children out of school during term time, with fines being introduced. With the result of parents only being able to take their children out of school under very exceptional circumstances, fines were introduced for unauthorised absence. The impact of these measures has been called “The Gove Effect”.

10.2 Visit Devon commissioned The South West Research Company late 2014 to undertake research to determine if “The Gove Effect” is having an impact on the visitor economy within Devon. An online survey was distributed to previous visitors to Devon, with a total of 3,581 responses were received.

10.2.1 The largest proportion of respondents who had holidayed in Devon with school children had stayed in either self catering accommodation or a rented static caravan. The majority of visitors without children stay in a hotel and B&B.

10.2.2 The majority of families visit Devon during April, July and August and visitors without children stay during May, June and September.

10.2.3 17% of families surveyed indicated that they visit during school holidays due to school term-time restrictions

10.3 48% of families holidaying in Devon have been impacted by the changes, this equates to £43.3m of lost visitor spend within Devon. The £43.3m loss is broken down into the following sectors:

	%	Value
Accommodation	38	£16,284,823
Food & Drink	22	£9,609,437
Travel	17	£7,278,937
Retail	13	£5,501,751
Attractions	11	£4,695,586
<b>TOTAL</b>		<b>£43,307,534</b>

10.4 As part of this research businesses within Devon were also surveyed, with 42% indicating visitor numbers had decreased in 2014 with 51% saying business had stayed the same. The biggest decrease in visitor numbers was in urban locations (such as Exeter) at 50% and along the coast, with 41% of businesses indicating a drop in business.

10.5 Plymouth University was commissioned by The Tourism Society and The South West Tourism Alliance to undertake an industry survey across the full South West region. The findings show that there has been a fall in income of over 30% for a fifth of tourism businesses in the South West region, a significant amount.

10.6 257 tourism business located within the South West completed the survey, in terms of impact, the following was established:

- two thirds of tourism businesses believe they have been negatively affected by the change in regulations.
- a fifth of businesses do not believe they have been negatively affected by the change in regulations.
- the change in regulations has led to a fall in income of over 30% for a fifth of respondents, and a reduction of income for nearly two thirds.
- the majority of businesses that responded did not approve of the regulations in their current form and offered a number of possible changes to the regulations that might usefully be considered by policy makers. The three most highly rated options are as follows:
  - working with educators to create recognised educational breaks which do not count as ‘out of school’.
  - grouping school ‘training days’ to form an extra week of school holidays.
  - phasing school holidays regionally, so that terms are spread more across the year.
- furthermore, businesses also felt that staggering school holidays across the UK was worth considering, as was allowing a number of days absence per term, particularly for younger children.

- there is some evidence that impacts are felt differently across the region with the furthest flung regions (especially Cornwall) feeling the impact more due to the difficulty in attracting a two-night weekend market given travel distances from source markets.

10.7 To support the two pieces of research relating to “The Gove Effect” Visit Cornwall, The South West Tourism Alliance, Tourism Society West Country and Visit Devon produced a “Win, Win, Win” paper highlighting the effects of “The Gove Effect” on the visitor economy and opportunities for change relating to regulations governing taking children out of school during term time. This paper has been presented to government and distributed widely to South West MP’s.

10.8 Nationally, the impact of “The Gove Effect” is starting to get traction, October 2015 the Local Government Association (LGA) announced that a “realistic, common sense approach is needed by Government in relation to term time holidays”. There was also a Parliamentary debate on “The Gove Effect” on Monday 26 October which is expected to feature a number of South West MPs whose constituencies have suffered from the ‘Gove Effect’.

## **11 Exeter & the Heart of Devon Volume & value data**

11.1 Comparing 2014 to 2013 there has been a number of decreases with the visitor economy in the area, relating to the number of people visiting Exeter & the Heart of Devon and how much they spend whilst on holiday:

- A decrease in jobs supported by visitor spend by 8.07% to 21,439
- A decrease in day visitors by 3.62% to 11,665,000
- A decrease in day visitor associated spend of 1.86% to £387.9m
- A decrease in overnight visitors by 1.58% to 1,771,300 (this increased in Exeter by 1.11%)
- A decrease in overnight associated visitor spend of 8.19% to £414.5m
- A decrease on spend on travel within the area of 0.56% to £116.2m
- A decrease in spend associated with boats and second homes by 5.47% to £28.5m

Appendix 1 shows the latest available volume and value data for Exeter & the Heart of Devon, plus the previous 4 years.

11.2 When you compare Exeter to the wider area, there are still decreases in visitor numbers and spend, but not as high.

11.3 The above decreases are not unique to Exeter & the Heart of Devon, this has also occurred within the rest of Devon and in some cases nationally across England. According to national bodies, the primary reason for this decline, comparing 2014 to 2013, was due to the high number of people holidaying within England as a result of London hosting the Olympics in 2012. Also, due to the area attracting and welcoming many families “The Gove Effect” is also playing its part in reducing visitor numbers and spend throughout the year.

11.4 A typical day visitor to Exeter & the Heart of Devon spends approximately £33.86, whilst an overnight visitor spends £218.33 per trip. Marketing activity undertaken by the Tourism Partnership is to shift a day visitor into an overnight visitor, primarily because they spend more money in a destination supporting local employment opportunities.

11.5 Work will continue to promote Exeter & the Heart of Devon regionally, nationally and where possible internationally to attract additional overnight visitors to the area.

## **12 Devon Visitor Satisfaction & Imagery Tracker**

12.1 To gain a better understanding of how Devon compares to other destinations within England and if peoples’ perceptions of the county are changing (comparing data from previous years); Visit Devon participated in the Visit England brand tracker survey. The research took place between June 2014 and December 2014. An online visitor survey is

sent to approx. 100 English residents per week over a 12 month period (aim is to gain 5,000 in total), who take at least one nights holiday in paid accommodation.

12.2 Overall, Devon rates above average for the majority of visitor satisfaction statements comparing the county to England in general, especially:

- A place where I feel safe and secure
- Clean and well maintained beaches
- Beaches which are safe and suitable for bathing
- Welcoming and friendly people
- Quality of accommodation
- Clean and tidy environment
- Value for money accommodation
- Range of water & beach based activities

The underperforming areas for Devon are:

- A destination that doesn't take too long to get to
- Range of outdoor countryside activities
- Ease of getting around by public transport
- A destination that is easy to get to by public transport

The full range of imagery statements can be found in Appendix 2.

12.3 Comparing the results of the research undertaken in 2011, Devon has performed better in the following areas:

- Unspoilt countryside
- Availability of a wide range of attractions & things to do
- The range of water & beach based activities
- Availability of individual / independent shops
- A destination that doesn't take too long to get to

Unfortunately, Devon has underperformed in a number of areas:

- Quality of accommodation
- Ease of booking your trip
- Interesting towns and villages to visit
- Range of outdoor activities

12.4 A range of statements were given to visitors and non-visitors to Devon, to understand the gap in peoples' perception of the county. Once someone has visited Devon, it is clear they are an ambassador for the county and will return again and again.

- It makes me want to return again and again
- It's a great way to spend time with your friends
- Is good value for money
- Is easy to get to

12.5 The results of the Visit England brand tracker research are very positive in terms of a visitor's perception of Devon. The results of the research will be incorporated into marketing material for Visit Devon and Exeter & the Heart of Devon, especially in the use of photos showing people relaxing and enjoying the city, coast and countryside. One area to focus marketing activity on would be the ease of getting to Devon, public transport and the wide range of activities to do in the county.

## 13 Future Position

13.1 The results of all visitor surveys and research undertaken will be used to determine marketing activity to promote Exeter & the Heart of Devon within the South West region and throughout the rest of the UK to increase overnight visitors to the area. Due to limited budget and personnel resources, marketing the area overseas will be limited to partnership working with Visit Devon and Visit England. Discussions are ongoing as to how the City

Council and Exeter BID can work in partnership to promote the city regionally to attract more visitors, both day and overnight.

13.2 The results of the research contained within this report will be shared with members of the Exeter & the Heart of Devon Tourism Partnership, Exeter Cultural Partnership, partners and local authorities so that businesses can use the results to help inform their marketing activity and to improve their product offering to attract more visitors, especially overnight.

13.3 Visit Devon and a number of other bodies within the South West are lobbying government on the effects of taking children out of school during term time, due to our high reliance and attracting a significantly number of families – compared to other destinations within the UK. This work will continue until a reasonable solution can be found.

#### **14 How does the decision contribute to the Council's Corporate Plan?**

14.1 Exeter & the Heart of Devon Tourism Partnership contributes to 'Building a stronger sustainable city' and the main purpose of 'Help me run a successful business in Exeter' in promoting the city as a vibrant, cultural modern city in attracting people to visit the area thus spending money in the local economy and supporting jobs.

#### **15 What risks are there and how can they be reduced?**

15.1 Limited risk arising from this activity.

#### **16 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?**

16.1 The Exeter & the Heart of Devon Tourism Partnership promotes the area regionally and nationally to encourage people to visit the area, thus spending money here rather than elsewhere, which supports local employment and the economy. Promotional activity in 2014 has been focused on cycling, this will continue during 2015 due to developments within the cycling infrastructure as well as other outdoor and indoor activities – which promotes a healthy lifestyle.

#### **17 Are there any other options?**

17.1 Visit Devon fund the majority of research undertaken within this committee report. It would be unwise for the Exeter & the Heart of Devon Tourism Partnership to commission additional research as it would duplicate work already undertaken, plus it would not gain the national reach.

**Victoria Hatfield**  
**Economy & Tourism 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

APPENDIX 1

Economic impact of tourism within Exeter and the Heart of Devon 2014

	Exeter	East Devon	Mid Devon	Teignbridge	TOTAL
Direct actual jobs	2,984	4,828	1,801	4,770	14,383
Indirect actual jobs	1,168	1,588	353	1,586	4,695
<b>TOTAL ACTUAL jobs</b>	<b>4,152</b>	<b>6,416</b>	<b>2,154</b>	<b>6,356</b>	<b>19,078</b>
Day visits	1,670,000	4,145,000	1,733,000	3,695,000	11,243,000
Total Day visit spend	£62,718,000	£139,588,000	£54,757,000	£123,693,000	£380,756,000
▪ Shopping	£27,307,000	£35,844,000	£16,811,000	£35,896,000	£115,858,000
▪ Food & Drink	£23,382,000	£62,484,000	£23,055,000	£53,453,000	£162,374,000
▪ Attractions & Entertainment	£6,129,000	£16,659,000	£7,708,000	£15,175,000	£45,671,000
▪ Travel	£5,900,000	£24,601,000	£7,183,000	£19,169,000	£56,853,000
Overnight trips	454,000	502,000	200,000	587,000	1,743,000
Total Overnight trips spend	£112,132,000	£109,691,000	£37,439,000	£121,301,000	£380,563,000
▪ Accommodation	£38,822,000	£39,223,000	£13,211,000	£43,938,000	£135,194,000
▪ Food & Drink	£24,324,000	£24,080,000	£8,343,000	£26,993,000	£83,740,000
▪ Shopping	£20,132,000	£16,849,000	£5,823,000	£17,500,000	£60,304,000
▪ Travel	£16,110,000	£17,153,000	£5,901,000	£19,595,000	£58,759,000
▪ Attractions	£12,744,000	£12,386,000	£4,161,000	£13,275,000	£42,566,000
Visits to friends & relatives spend	£6,353,000	£6,971,000	£4,048,000	£6,511,000	£23,883,000
Other tourism spend	£163,000	£1,760,000	£180,000	£1,008,000	£3,111,000
<b>TOTAL VISITOR SPEND</b>	<b>£181,366,000</b>	<b>£258,010,000</b>	<b>£96,424,000</b>	<b>£252,513,000</b>	<b>£607,494,000</b>
<b>TOTAL VISITOR TRIPS</b>	<b>2,124,000</b>	<b>4,647,000</b>	<b>1,933,000</b>	<b>4,282,000</b>	<b>12,986,000</b>

**Economic impact of tourism within Exeter and the Heart of Devon 2013**

	<b>Exeter</b>	<b>East Devon</b>	<b>Mid Devon</b>	<b>Teignbridge</b>	<b>TOTAL</b>
Direct actual jobs	3,362	5,425	2,053	5,539	16,379
Indirect actual jobs	1,253	1,709	378	1,717	5,057
<b>TOTAL ACTUAL jobs</b>	<b>4,615</b>	<b>7,134</b>	<b>2,431</b>	<b>7,259</b>	<b>21,439</b>
Day visits	1,714,000	4,288,000	1,808,000	3,855,000	11,665,000
Total Day visit spend	£63,032,000	£142,543,000	£55,706,000	£126,699,000	£387,980,000
▪ Shopping	£27,423,000	£37,044,000	£17,309,000	£37,036,000	£118,812,000
▪ Food & Drink	£23,507,000	£63,621,000	23,377,000	£54,642,000	£165,147,000
▪ Attractions & Entertainment	£6,166,000	£16,962,000	£7,772,000	£15,500,000	£46,400,000
▪ Travel	£5,936,000	£24,916,000	£7,248,000	£19,521,000	£57,621,000
Overnight trips	449,000	521,000	207,000	594,300	1,771,300
Total Overnight trips spend	£121,382,000	£120,515,000	£40,948,000	£131,664,000	£414,509,000
▪ Accommodation	£41,306,000	£43,194,000	£14,368,000	£47,667,000	£146,535,000
▪ Food & Drink	£25,924,000	£18,484,000	£9,191,000	£29,518,000	£83,117,000
▪ Shopping	£23,216,000	£26,425,000	£6,427,000	£18,916,000	£74,984,000
▪ Travel	£16,973,000	£13,241,000	£6,586,000	£21,843,000	£58,643,000
▪ Attractions	£13,963,000	£19,171,000	£4,376,000	£13,720,000	£51,230,000
Visits to friends & relatives spend	£6,714,000	£7,463,000	£4,338,000	£6,945,000	£25,460,000
Other tourism spend	£163,000	£1,766,000	£180,000	£1,008,000	£3,117,000
<b>TOTAL VISITOR SPEND</b>	<b>£191,291,000</b>	<b>£272,254,000</b>	<b>£101,172,000</b>	<b>£266,316,000</b>	<b>£831,033,000</b>
<b>TOTAL VISITOR TRIPS</b>	<b>2,163,000</b>	<b>4,809,000</b>	<b>2,015,000</b>	<b>4,449,300</b>	<b>13,436,300</b>

**Economic impact of tourism within Exeter and the Heart of Devon 2012**

	<b>Exeter</b>	<b>East Devon</b>	<b>Mid Devon</b>	<b>Teignbridge</b>	<b>TOTAL</b>
Direct actual jobs	3,539	5,396	2,199	5,194	17,048
Indirect actual jobs	1,284	1,687	397	1,784	5,152
<b>TOTAL ACTUAL jobs</b>	<b>4,823</b>	<b>7,083</b>	<b>2,596</b>	<b>7,698</b>	<b>22,200</b>
Day visits	1,818,000	4,213,000	1,724,000	3,808,000	11,563,000
Total Day visit spend	£66,950,000	£136,906,000	£60,962,000	£128,599,000	£393,420,000
▪ Shopping	£29,178,000	£38,906,000	£19,031,000	£39,661,000	£126,550,000
▪ Food & Drink	£24,949,000	£59,701,000	£25,503,000	£51,521,000	£164,674,000
▪ Attractions & Entertainment	£6,533,000	£16,437,000	£8,500,000	£15,846,000	£47,316,000
▪ Travel	£6,292,000	£22,088,000	£7,928,000	£18,571,000	£54,877,000
Overnight trips	445,000	526,000	211,000	616,000	1,798,000
Total Overnight trips spend	£119,535,000	£119,072,000	£39,146,000	£135,560,000	£413,313,000
▪ Accommodation	£40,652,000	£42,545,000	£13,716,000	£49,032,000	£145,945,000
▪ Food & Drink	£25,643,000	26,371,000£	£8,883,000	£30,688,000	£91,585,000
▪ Shopping	£21,537,000	£17,384,000	£5,807,000	£18,441,000	£63,169,000
▪ Travel	£17,777,000	£19,692,000	£6,614,000	£23,517,000	£67,600,000
▪ Attractions	£13,926,000	£13,080,000	£4,126,000	£13,882,000	£45,014,000
Visits to friends & relatives spend	£8,975,000	£10,217,000	£5,971,000	£9,527,000	£34,690,000
Other tourism spend	£163,000	£1,760,000	£180,000	£1,008,000	£3,112,000
<b>TOTAL VISITOR SPEND</b>	<b>£195,623,000</b>	<b>£267,955,000</b>	<b>£106,259,000</b>	<b>£274,694,000</b>	<b>£844,535,000</b>
<b>TOTAL VISITOR TRIPS</b>	<b>2,263,000</b>	<b>4,739,000</b>	<b>1,935,000</b>	<b>4,424,000</b>	<b>13,361,000</b>

**Economic impact of tourism within Exeter and the Heart of Devon 2011**

	<b>Exeter</b>	<b>East Devon</b>	<b>Mid Devon</b>	<b>Teignbridge</b>	<b>TOTAL</b>
Direct actual jobs	2,951	5,122	1,924	5,004	15,001
Indirect actual jobs	996	1,362	328	1,405	4,091
<b>TOTAL ACTUAL jobs</b>	<b>3,947</b>	<b>6,484</b>	<b>2,252</b>	<b>6,409</b>	<b>19,092</b>
Day visits	1,688,000	3,987,000	1,671,000	3,589,000	10,935,000
Total Day visit spend	£62,290,000	£129,910,000	£59,223,000	£121,412,000	£372,835,000
▪ Shopping	£27,206,000	£36,471,000	£18,181,000	£37,320,000	£119,178,000
▪ Food & Drink	£23,191,000	£56,726,000	£24,936,000	£51,522,000	£156,375,000
▪ Attractions & Entertainment	£60,58,000	£15,732,000	£8,337,000	£14,998,000	£45,125,000
▪ Travel	£5,835,	£20,981,000	£7,769,000	£17,572,000	£52,157,000
Overnight trips	453,000	513,000	206,000	619,000	1,791,000
Total Overnight trips spend	£96,939,000	£105,045,000	£35,943,000	£116,853,000	£354,780,000
▪ Accommodation	£34,072,000	£37,489,000	£12,854,000	£42,241,000	£126,656,000
▪ Food & Drink	£20,923,000	£23,025,000	£8,010,000	£26,152,000	£78,110,000
▪ Shopping	£16,925,000	£16,189,000	£5,462,000	£16,664,000	£55,240,000
▪ Travel	£14,086,000	£16,485,000	£5,712,000	£19,148,000	£55,431,000
▪ Attractions	£10,933,000	£11,857,000	£3,905,000	£12,648,000	£39,343,000
Visits to friends & relatives spend	£7,950,000	£8,835,000	£5,059,000	£8,462,000	£30,306,000
Other tourism spend	£103,000	£750,000	£117,000	£599,000	£1,569,000
<b>TOTAL VISITOR SPEND</b>	<b>£167,282,000</b>	<b>£244,540,000</b>	<b>£100,342,000</b>	<b>£247,326,000</b>	<b>£759,490,000</b>
<b>TOTAL VISITOR TRIPS</b>	<b>2,141,000</b>	<b>4,500,000</b>	<b>1,877,000</b>	<b>4,208,000</b>	<b>12,726,000</b>

**Economic impact of tourism within Exeter and the Heart of Devon 2010**

	<b>Exeter</b>	<b>East Devon</b>	<b>Mid Devon</b>	<b>Teignbridge</b>	<b>TOTAL</b>
Direct actual jobs	2,958	5,211	1,807	4,822	14,798
Indirect actual jobs	940	1,321	302	1,337	3,900
<b>TOTAL ACTUAL jobs</b>	<b>3,898</b>	<b>6,532</b>	<b>2,109</b>	<b>6,159</b>	<b>18,698</b>
Day visits	1,539,000	2,710,899	1,150,000	2,577,000	7,976,899
Total Day visit spend	£77,445,000	£119,869,000	£49,826,000	£115,487,000	£362,627,000
▪ Shopping	£33,972,000	£39,280,000	£18,194,000	£40,863,000	£132,309,000
▪ Food & Drink	£28,778,000	£50,104,000	£19,891,000	£46,920,000	£145,693,000
▪ Attractions & Entertainment	£7,483,000	£13,238,000	£6,043,000	£12,827,000	£39,591,000
▪ Travel	£7,213,000	£17,247,000	£5,699,000	£14,877,000	£45,036,000
Overnight trips	442,000	508,000	198,000	594,300	1,742,300
Total Overnight trips spend	£81,098,000	£103,633,000	£36,464,000	£112,051,000	£333,246,000
▪ Accommodation	£28,961,000	£37,557,000	£13,209,000	£40,869,000	£120,596,000
▪ Food & Drink	£17,693,000	£23,061,000	£8,142,000	£25,064,000	£73,960,000
▪ Shopping	£13,386,000	£15,093,000	£5,430,000	£15,859,000	£49,768,000
▪ Travel	£12,130,000	£16,692,000	£5,800,000	£18,279,000	£52,901,000
▪ Attractions	£8,927,000	£11,228,000	£3,879,000	£11,980,000	£36,014,000
Visits to friends & relatives spend	£7,632,000	£8,480,000	£4,856,000	£8,123,000	£29,091,000
Other tourism spend	£113,000	£1,990,000	£117,000	£599,000	£2,819,000
<b>TOTAL VISITOR SPEND</b>	<b>£166,288,000</b>	<b>£233,972,000</b>	<b>£91,263,000</b>	<b>£236,260,000</b>	<b>£727,783,000</b>
<b>TOTAL VISITOR TRIPS</b>	<b>1,981,000</b>	<b>3,218,000</b>	<b>1,348,000</b>	<b>3,171,300</b>	<b>9,718,300</b>

## APPENDIX 2

### How does Devon compare with the national picture and other destination types?

Devon rates higher than the England average for most attributes, and rates higher than the 'seaside' average for beaches (a place I feel safe and secure and clean and well-maintained beaches). Devon slightly under-performs for being a destination that doesn't take long to get to and performs below the national average for having a range of outdoor activities and for being easy to get around by public transport.

	% rating attribute as excellent			
	ALL ENGLAND	Seaside	Countryside	Devon
Unspoilt countryside -COUNTRYSIDE	42%	-	42%	44%
A place where I feel safe and secure	27%	34%	38%	36%
Clean and well- maintained beaches -SEASIDE	27%	27%	-	34%
Beaches which are safe and suitable for bathing-SEASIDE	26%	26%	-	33%
Welcoming and friendly people	25%	31%	33%	32%
Clean and tidy environment	24%	30%	34%	32%
Quality of accommodation	26%	32%	34%	31%
Value for money of accommodation	22%	30%	27%	28%
Ease of booking your trip/different parts of your trip in advance	23%	29%	27%	27%
Ease of finding useful information about the destination when planning the trip	22%	27%	26%	27%
Quality of food, drink and dining	22%	27%	29%	27%
Levels of customer service	21%	27%	27%	27%
Value for money generally	20%	27%	25%	27%
Attractive/well maintained town/city centre - SEASIDE	24%	24%	-	26%
Interesting towns and villages to visit - COUNTRYSIDE	31%	-	31%	25%
Variety of accommodation to choose from that suits my needs	22%	28%	25%	25%
Opportunities to eat/ drink local food and produce	19%	24%	24%	24%
Availability of a wide range of attractions and things to do	21%	24%	20%	23%
Ease of finding useful information about the destination when you're there	19%	24%	22%	23%
The range of water- based/beach activities - SEASIDE	17%	17%	-	23%
Overall availability of deals and discounts for the destination	17%	22%	19%	21%
Availability of individual/independent local shops	17%	23%	20%	21%
A destination that is not too expensive to get to	20%	26%	23%	20%
A destination that doesn't take too long to get to	21%	27%	25%	19%
Clarity of signposting that helps you find your way around the destination	18%	23%	19%	18%
Availability of reasonably priced car parking	15%	19%	18%	16%
Availability of festivals, music, sporting and cultural events	14%	16%	12%	14%
Range of outdoor activities – COUNTRYSIDE	21%	-	21%	12%
Ease of getting around by public transport	16%	20%	11%	12%
A destination that is easy to get to by public transport	16%	20%	11%	12%

## LEGACY LEISURE WORKING GROUP

Tuesday 13 October 2015

### Present:-

Councillor Heather Morris (Chair)  
Councillors Denham, Henson, Robson and Brimble

### Also Present

Events, Facilities and Markets Manager, Leisure Facilities Manager and Democratic Services Officer (Committees) (SLS)

Jeremy Wright – Legacy Leisure  
Philip Roebuck – Legacy Leisure

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### APOLOGIES

Apologies were received from Colleen Tumelty.

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### MINUTES OF MEETING HELD ON 23 JUNE 2015

The minutes of the meeting held on 23 June 2015 were agreed as an accurate record of the meeting.

### Customer Analysis

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### CUSTOMER COMMENTS ANALYSIS 14/15

Steve Lyon circulated an analysis of customer comments made for each of the centres for the period July 2014 to July 2015, which monitored the trend in the quantity and type of comment received there had been 24 comments made in July 2015, which was less than the 57 comments received for the same period last year. The comments had been taken from a number of courses including emails, correspondence, notice boards as well as compliments and complaints.

The analysis was part of the contract monitoring with comments.

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### CUSTOMER COMMENTS FEEDBACK OCTOBER 2015

Steve Lyon circulated a copy of the detailed customer comments for the month of July 2015, and the format included the response or action taken, under categorised headings of maintenance, health and safety, cleaning and staff and where a compliment had been recorded on a centre by centre basis. Details of the responses from Legacy Leisure were also included.

Councillor Morris referred to comments made about the staff in the crèche and if an incident including gym mats at the Clifton Hill site had been a health and safety matter. Jeremy Wright said that he would need to speak to the Centre Manager, but there would have been a valid reason. He referred to the crèche staff routine and explained in further detail their role. It was suggested that it would be more meaningful to have more detailed comments, with the Manager's view as well as the resolution, action and an update on the action. JW will investigate further and respond.

Further to the enquiry the following response was made:

*The Centre Manager Simeon Lewry has spoken to the Duty Manager who recorded these comments and explained the importance of managing complaints appropriately. He has also spoken to the crèche staff and is satisfied that they are continually working and managing the crèche appropriately. Councillor Denham referred to the comment about gym mats being moved at the Clifton Hill Sports Centre, the response given was Health and Safety reasons and it was felt this needed further investigation to determine why it was a Health and Safety issue. JW will investigate further and respond.*

*Further to the enquiry the following response was made - The mats were originally moved as they were too close to the treadmills. The Centre Manager Michael Anderton emailed the customer after the comment was recorded and sent to the client explaining this but received no response. He then rang the customer and after discussing the issues regarding moving mats away from the mirrors he agreed to move the mats back and moved the treadmills instead.*

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### **SERVICE IMPROVEMENT PLAN FOR WONFORD SPORTS CENTRE**

Jeremy Wright introduced Philip Roebuck, the Centre Manager at Wonford Sports Centre and also the Northbrook Golf Course. Philip provided a brief update of the Northbrook Golf Course which had been particularly affected by the inclement weather this season. They had successfully achieved an 88% internal finance audit and an 89% internal environmental audit, and passed the external NQA environmental management audit. Wonford Sports Centre regularly appeared at the top of the company league table for energy management and was also held up as an example of best practice by the company.

The site has recently been Quest assessed and are awaiting the official outcome, however, verbally they have been told they had remained as a satisfactory level. They continued to develop schools, business and group usage.

Philip also provide an update on the Wonford Sports Centre and referred to the ongoing challenges of the location, as well as the aftermath from the closure of the Phoenix Youth Club and young people who continued to congregate around the rear of the centre. A level of antisocial behaviour remained an ongoing issue for staff despite the positive efforts made to mitigate this through a number of events and activities.

There have been a number of facility improvements having spent over £13,000 on the following:-

Redecoration of the pump room and the installation of new weights and benches  
New pump exercise equipment for classes  
New bouncy castle for use at children's parties and Camp Adventure.

Staff had been working on a number of different projects and activities throughout the summer -

- The Wonford Community Organisation & Groups (COGS) and the Wonford Sports Centre provided planned activities in the park with dance and football activities. Over 25 children came into the sports centre who previously had not been there before. A working group made up of representatives from COGS, the Chestnut Centre, the local Police team, Lidl's, Active Devon and Exeter City Football Club had come together to work for the benefit of the local community.

- The Doorstep Club, in partnership with Active Devon and Exeter City Football Club, with a multi sport session in the hall and an hour of football on the astro pitch for youths 11 – 19, and Badminton coaching to encourage participation, coach courses and badminton challenges.
- Walking Football 55+ had started in February and now was an established group of up to 30 players now enjoying 1½ hours of football.
- A wheelchair basketball club was also on a Saturday from 4pm until 6pm and the teams included disabled and able bodied players and provided an opportunity for disabled players to play in a league.
- Wonford Sports Centre had also achieved funding from Active Devon to provide a Sportivate Group for ladies between 16 – 25 years with an exercise class, spa and a crèche facility was provided.
- Sportivate multisport activities were also provided for a number of disabled participants and groups.
- Adult Weight Management where clients are referred by the Devon County Council Hub working with the NHS on a 10 weeks programme to hit a target for body weight loss. 12 people had been referred from the local GP and hospital.

Jeremy Wright added that they would apply for further community initiatives funding to cover all Legacy Leisure sites in Exeter to enable children and their parents of the respective local community to become more engaged.

They were also exploring a number of new initiatives:-

- Parent and toddler drop in and soft play on Thursday mornings
- Continuing to promote their facilities to local schools and also have introduced a walking club and have been encouraging parents to park in their car park and walk to their local school, the nearest being the Woodwater Academy.
- They hope to start Walking Basketball and have been working with partners to encourage more participation in the Centre through COGS, and Active Devon.
- Every effort was being made to develop the off peak usage of the sports hall.

Dave Lewis declared an interest as a user of the pitch.

Dave Lewis referred to an issue with the outdoor pitch, which although could still be played upon, was in need of replacement. The pitch was used for approximately only seven hours a week. He would speak to Paul Faulkner, the Public and Greenspace Manager to discuss the options and to establish if it was beyond economic repair. It was noted there was Section 106 monies from the Exeter Airport Development for investment in the Wonford area. Steve Lyon added that it was advantageous to keep the pitch operating as a leisure facility, and they hoped to explore options, including the possibility of adding a roof to bring the facility into the Centre, which would help alleviate vandalism and antisocial behaviour. Jeremy Wright referred to the stance taken to ameliorate some of the damage and vandalism caused to the pitch. Councillor Denham asked if it was possible to obtain a log of all incidents. Philip Roebuck would pursue that request and confirmed that they reported each incident and also spoke to the police regularly. Councillor Morris suggested that a joint letter be written to Devon County Council by herself as Chair and also from the Portfolioholder for Leisure and Culture, Councillor Denham on behalf of the Working Group in respect of the future plans for youth provision in the area, and raise the impact on the Wonford Sports Centre. A copy would be sent to Philip Roebuck and the Police.

Members thanked Philip for a very comprehensive report and to all the staff who had developed and run the events and activities.

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### **UPDATE ON THE HEALTHY SNACK TRIAL**

Jeremy Wright provided an update on the Healthy Snack trial, following the issue being previously raised by a local GP, Dr Hayes. The sites offered a range of options including healthy snacks. Water was also made available and in many cases was conveniently placed next to the tills. Unfortunately the results of a trial resulted in a higher proportion of the healthy snack options remaining unsold despite being available in both the vending machines and the cafeteria. The main benefit was that the leisure centres offered an opportunity for exercise and over 3,000 people a week had made the decision to partake in some form of exercise.

It was noted that at least those people buying the range of snacks were participating in exercise. It was nevertheless important to provide a range of alternative options, and also make advice available on the benefits of healthy eating.

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### **ANY OTHER BUSINESS**

Dave Lewis provided an update on a VAT charge being passed on to sports and swimming clubs, following the name change to Legacy Leisure. Legacy Leisure have kindly resolved. Jeremy Wright referred to new guidance and the complexities of tax law. There had been no intention to gain additional revenue and the matter had been resolved. The Council wish to thank Legacy Leisure for their time on this matter as it had become a very contentious issue and had drawn Members into a difficult situation. From October the Council will no longer be required to contribute towards this concession, the clubs have been advised by Legacy Leisure.

Councillor Robson stated that she was disappointed that the meetings were no longer being held at the leisure facilities as this gave Members an opportunity to visit the sites. Officers in liaison with the Chair would discuss this and see if a solution could be agreed.

Steve Lyon was arranging a tour of the facilities for early December 2015 and the idea was to make this an annual event for the Working Group Members.

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### **DATE OF NEXT MEETING 15 DECEMBER 2015**

The date of the next meeting would be held on 15 December 2015 to discuss the Northbrook Swimming Pool.

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### **SITE VISIT AND PROPOSED FUTURE MEETINGS**

Members agreed the following dates and also discussed an annual site visit

2 December 2015      Site Visit of Facilities – 10.00am to 2.00pm

9 February 2016 -      Riverside Leisure Centre (Rennes Committee Room)

19 April 2016 -        Isca Bowls and Bridge Centre (Rennes Committee Room)

14 June 2016 -        Exeter Arena (Rennes Committee Room)

6 September 2016 -    Wonford Sports Centre/ Northbrook Golf Course (Terracina Meeting Room)

18 October 2016 - Clifton Hill Sports Centre/Pyramids Swimming Pool (Terracina Meeting Room)  
13 December 2016 - Northbrook Swimming Pool (Rennes Committee Room)

(The meeting commenced at 10.00 am and closed at 11.30 am)

Chair

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