

EXECUTIVE

Tuesday 13 February 2018

Present:

Councillor Edwards (Chair)
Councillors Bialyk, Brimble, Denham, Gottschalk, Morse, Pearson and Sutton

Apologies:

Councillors Leadbetter and Packham

Also present:

Chief Executive & Growth Director, Chief Finance Officer, Director (DB), Director (JY), City Solicitor & Head of HR, Corporate Manager Democratic and Civic Support, Shadow Director (Development), Economy and Enterprise Manager, Cleansing & Fleet Manager, Museums Manager and Cultural Lead, Housing Solutions Lead and Democratic Services Officer (Committees) (MD)

10

MINUTES

The minutes of the meeting held on 9 January 2018 were taken as read and signed by the Chair as correct.

11

DECLARATIONS OF INTEREST

No declarations of disclosable pecuniary interest were made.

12

LEISURE COMPLEX AND BUS STATION PROGRAMME BOARD MINUTES - 30 JANUARY 2018

The minutes of the Leisure Complex and Bus Station Programme Board meeting held on 30 January 2018 were submitted.

RECOMMENDED that Council approve:-

- (1) rescission of the Council Resolution passed on 12 October 2017 (Minute 3) stating that the Bus Station would close by the end of February 2018, at the latest; and
- (2) the Chief Executive & Growth Director, in consultation with the Leader and the Portfolio Holder for Health & Wellbeing, Communities & Sport be authorised to decide the precise date of the closure of the Bus Station.

13

PARKING TARIFFS

The Director (DB) presented the report increasing both car park tariffs and the number of pay and display parking sites from April 2018. He explained that the increase would support the Council's ambition to reduce congestion in the city and that compared to other authority's permit fees were disproportionately behind the daily parking tariff rates. The new charges would compare favourably with other cities which included Bath, Bristol, Cambridge and Plymouth.

The Leader proposed that £10,000 be ring fenced from the expected increase in parking income to investigate ways to address traffic congestion in the city. This was agreed by Members, who considered the increase would be a measure to tackle congestion and deter driving in the city without impacting city centre businesses.

Place Scrutiny Committee considered the report at its meeting on 11 January 2018 and its comments were reported.

RESOLVED that the following be approved:-

- (1) To increase tariffs at Premium, Zone 1, Zone 2 and Zone 3 car parks by between £0.20 and £5.00 within the existing linear pricing structure as set out in the table below.
- (2) To increase the price of parking permits by between £25.00 and £300.00 per annum as set out in the table below;

Premium Car Parks (Guildhall, Mary Arches, John Lewis)		
Stay	Current Tariff	Proposed Tariff
1 hour	£2.20	£3.00
2 hours	£3.30	£4.00
3 hours	£4.40	£5.00
4 hours	£5.50	£6.00
5 hours	£6.60	£7.00
6 hours	£7.70	£8.00
7 hours	£8.80	£9.00
All day	£12.00	£15.00
Zone 1 Car Parks (Bampfylde Street, Bartholomew Terrace, Harlequins, King William Street, Magdalen Road, Magdalen Street, Matthews Hall, Princesshay 2, Princesshay 3, Smythen Street)		
Stay	Current Tariff	Proposed Tariff
1 hour	£1.10	£2.00
2 hours	£2.20	£3.00
3 hours	£3.30	£4.00
4 hours	£4.40	£5.00
5 hours	£5.50	£6.00
6 hours	£6.60	£7.00
7 hours	£7.70	£8.00
All day	£10.00	£12.00
Zone 2 Car Parks (Belmont Road, Bystock Terrace, Cathedral & Quay, Haven Road 1, Howell Road, Richmond Road, Parr Street, Topsham Quay, Triangle)		
Stay	Current Tariff	Proposed Tariff
1 hour	£1.10	£2.00
2 hours	£2.20	£3.00
3 hours	£3.30	£4.00
4 hours	£4.40	£5.00
5 hours	£5.50	£6.00
All day	£6.00	£10.00
Zone 3 Car Parks (Flowerpot, Haven Road 2 & 3, Holman Way,		

Okehampton Street, Tappers Close, Turf Approach)		
Stay	Current Tariff	Proposed Tariff
1 hour	£0.50	£0.50
2 hours	£1.00	£1.00
3 hours	£1.50	£1.50
4 hours	£2.00	£2.00
All day	£2.50	£3.00
Zone 3 Car Parks with Maximum Stay (Bromhams Farm, Clifton Hill, Gordons Place, Station Road (Exwick))		
1 hour	£0.50	£0.50
2 hours	£1.00	£1.00
3 hours maximum stay	£1.50	£1.50
Coach Parking at Haven Road 3 (per day)	£5.00	£10.00
Quarterly Commuter Season Ticket	£300.00	£375.00
Residents Annual Season Ticket	£125.00	£150.00
Bartholomew Terrace Business Permit	£205.00	£250.00
Cathedral & Quay Business Bays	£565.00	£750.00

- (3) To convert and include the following additional car parks in the Parking Places Order 2014:
 - (a) Bromhams Farm (Appendix 1) and
 - (b) Turf Approach (Appendix 2) by way of pay and display.
- (4) To designate the following car parks as Zone 3 Car Parks as set out in paragraph 2.1 of the above table in the Parking Places Order 2014:
 - (a) Bromhams Farm and
 - (b) Turf Approach
- (5) To restrict parking to a maximum 3 hour stay at the new Bromhams Farm and Turf Approach car parks.
- (6) To ring-fence income from the above two new sites and re-invest it in improving the upkeep of the canal and associated facilities.
- (7) To increase the charging period in Zone 1 and 2 car parks by 2 hours (8am to 8pm) with the exception of Topsham car parks and overnight resident car parks at Bartholomew Terrace and Richmond Road.
- (8) To alter the boundary of Matthews Hall car park with the Parking Places Order to reflect recent land change to create an additional parking bay (Appendix 3).

RECOMMENDED to Council that:-

- (1) £60,000 capital funding be made available to undertake necessary surfacing and lining works in order to convert both Bromhams Farm and Turf Approach into pay and display car parks; and

- (2) £10,000 be ring fenced from the expected increase in parking income to investigate ways to address traffic congestion in the city.

14

CHARGING FOR FOOD HYGIENE RATING SCHEME REVISITS

The Director (JY) presented the report which sought the introduction of a cost recovery fee for re-rating food hygiene ratings. In partnership with the Food Standards Agency, Environmental Health & Licensing participate in the delivery of the national Food Hygiene Rating Scheme (FHRS). The scheme, which had been in place in Exeter since 2011, encouraged businesses to improve hygiene standards and assist consumers in making informed choices about where to eat.

Businesses were rated between 0 (*urgent improvement necessary*) and 5 (*very good*). Those with a food hygiene rating of 4 or below could request a re-rating inspection. There was currently no charge for these visits but there were costs, in terms of officer and administration time, which were currently absorbed by the service. Following a trial of charging for requested FHRS re-rating inspections with some local authorities in England using existing powers in the Localism Act 2011, the Food Standards Agency had now confirmed a change in policy allowing use of these powers by local authorities in England to introduce fees on a cost recovery basis only for re-rating inspections.

The Director highlighted that both officers and businesses had made the food hygiene standards successful and that 30 businesses requested a re-visit to assess their hygiene certificate on an annual basis, which can cause a burden on the service. As the Local Authority, Exeter City Council had powers to amend this.

Place Scrutiny Committee considered the report at its meeting on 11 January 2018 and its comments were reported.

RECOMMENDED that Council approve the proposal to introduce a cost recovery fee of £160 for Food Hygiene Rating Scheme re-rating inspections which are requested by the Food Business Operator, with effect from 1st April 2018.

15

ANNUAL PAY POLICY STATEMENT

The report of the City Solicitor & Head of HR was submitted setting out the Council's annual Pay Policy Statement 2018/19 which must be approved by Full Council each financial year in line with legislation. There was also now a legal requirement to produce a Gender Pay Gap Report.

The City Solicitor & Head of HR discussed the levels and elements of remuneration for each officer role from April 2018 and drew Members attention to the gender pay gap report 2017. She explained the mean and median pay differences between male and female employees, highlighting that female pay was higher with a mean gender pay gap of -0.8% and media gender pay gap of -0.6%. She advised on the quartile figures that detailed the differences in male and female pay through lower to upper quartiles. The figures would need to be published by 31 March 2018.

Members agreed that the staff pay freeze had impacted on the figures and that if restrictions were lifted, it would see staff rewarded appropriately. They noted that a living wage, job evaluations and job descriptions had been introduced to support staff.

Corporate Services Scrutiny Committee considered the report at its meeting on 25 January 2018 and its comments were reported.

RECOMMENDED to Council that:-

- (1) the Policy, Report and Appendices as presented to the meeting be adopted and published in accordance with the legislation; and
- (2) delegated authority be given to the City Solicitor & Head of HR to make necessary amendments to the pay policy statement following any changes in legislation or subsequent increases in pay.

16

TREASURY MANAGEMENT STRATEGY REPORT 2018/19

The report of the Chief Finance Officer was submitted seeking adoption by the Council of the Treasury Management Strategy Report, incorporating the Annual Investment Strategy 2018/19, as required under section 15(1)(a) of the Local Government Act 2003.

The Chief Finance Officer advised that the last strategy had been approved in December 2017 for in-house investments and requested the authorisation limit for investments in a property fund to be increased to £10m. There had been two changes to the strategy. The Council now had two new treasury management advisors and there had been an increase in the time limit for Foreign owned banks that deal in sterling and meet the stated credit ratings from six to nine months.

He explained the proposed changes to the time limit in respect of UK owned banks or building societies that deal in sterling and meet the stated credit rating, was to increase the time period from three to six months. These, however, would increase the risk factor on the investments made, but credit ratings were continually reviewed and updated by the Council's Treasury Management advisors.

In response to questions from Members, the Chief Finance Officer explained that interest rate increases can impact the Council, borrowing was limited under the treasury management strategy. Interest rates were monitored and should they rise, a request would be made for longer term lending. The last interest rate rise had not caused a significant impact.

Corporate Services Scrutiny Committee considered the report at its meeting on 25 January 2018 and its comments were reported.

RECOMMENDED that Council adopt the new Treasury Management Strategy and delegations contained therein.

17

PRUDENTIAL CODE FOR CAPITAL FINANCE IN LOCAL AUTHORITIES/INCORPORATING THE ANNUAL STATEMENT OF MINIMUM REVENUE PROVISION

The Chief Finance Officer presented the report setting out the proposed 2018/19 prudential indicators for capital finance for adoption by the Council and set the annual statement of Minimum Revenue Provision (MRP). He explained that the prudential system was based on self-regulation, allowing the Council the freedom to borrow for capital investment where it was affordable. The Housing Revenue Account remained exempt from making minimum revenue provision, but could make voluntary contributions.

The Chief Finance Officer stated that the minimum revenue provision had not changed, but following a Government consultation, it was likely that new indicators

would be established in the new financial year, requiring a new report to be presented to full council.

Corporate Services Scrutiny Committee considered the report at its meeting on 25 January 2018 and its comments were reported.

RECOMMENDED that Council adopt the:-

- (1) Prudential Indicators set out in Appendix A-C of the report as presented; and
- (2) Annual Statement of Minimum Revenue Provision for the Council.

18

GENERAL FUND REVENUE ESTIMATES AND CAPITAL PROGRAMME 2017/18

The Chief Finance Officer submitted the report that proposed the General Fund revenue estimates for 2018/19 and recommended the Band D level of Council Tax for 2018/19. The report also included the proposed Capital Programme for 2018/19 and future years, and the proposals in respect of the Housing Revenue Account.

He advised that it was important for the Council to be in a position to set a budget and establish the Council Tax for the City of Exeter in line with the statutory timeframe. The revised council tax levels would be submitted to full council once the council tax amounts from Devon County Council, Devon and Cornwall Police, Crime Commissioner and the Devon and Somerset Fire Authority were established.

He provided an overview of the overall spending proposals for both the Council's revenue and capital budgets and on the business rate retention pilot scheme in Exeter and other local authorities, which would be a positive benefit for Devon as a whole. The new Homes Bonus receipts amounted to £2.91m, in 2017/18, which was lower than previous years, based on the reduction of the number of houses built in previous years.

In response to questions from Members, the Chief Finance Officer responded:-

- The Council had a 100% business rate retention, which was fully funded with a no detriment clause, which was a part of the pilot scheme. There was a £1.5m limit on loss, should business rate crash. However, after 2020/21 the baseline rate would reset; and;
- Using Capital Receipt would be a sensible model for when the business rate retention would be reset and to support business growth.

RECOMMENDED to Council:-

- (1) the overall spending proposals in respect of both its revenue and capital budgets be approved;
- (2) the council tax for each Band be approved as set out in section 8.19.3 of the circulated report subject to Devon County Council, Devon and Cornwall Police, Crime Commissioner and the Devon and Somerset Fire Authority confirming their Band D levels respectively;
- (3) when the actual council tax amounts for Devon County Council, Devon and Cornwall Police, Crime Commissioner and the Devon and Somerset Fire Authority are set then the revised council tax levels be submitted to Council on 20 February 2018 for approval;

- (4) the Statement given by the Chief Finance Officer as required under Section 25 of the Local Government Act 2003 be noted; and
- (5) the passporting arrangement for distributing Wellbeing Exeter funding as set out in 8.10.3 of the circulated report be approved.

19

HEART OF THE SOUTH WEST PRODUCTIVITY PLAN

The report of the Economy & Enterprise Manager was submitted to update Members on Exeter's place based response to the draft Productivity Plan for the Heart of the South West area. The Productivity Plan was structured around the three strategic objective areas of Connectivity & Infrastructure, Working & Learning and Leadership & Knowledge.

She discussed how the productivity plan had incorporated a number of businesses in Exeter over a 10 week period to enable public, private and third sector responses. A number of businesses within Exeter had been contacted to contribute and endorse the Exeter response, which had included the Environment Agency, St Peter's C of E Aided School, Stagecoach, Exeter Cycling Campaign and SW Communications. The consultation responses would be collated and a final Heart of the South West Productivity Plan would be presented to the first official Joint Committee for the Heart of the South West on 2 March 2018.

The Economy & Enterprise Manager commented on the key challenges, highlighting the need for a skilled workforce, new homes for young people, connections in the area and to other parts of the UK.

She made an additional recommendation for the Council to authorise the approval of the Productivity Strategy through the Heart of the South West Joint Committee, meeting on 2 March 2018.

Members expressed their thanks to the businesses who contributed to the plan and helped with the response.

RESOLVED that:-

- (1) the response to the draft Productivity Plan be noted; and;
- (2) the Council note the approval of the Productivity Strategy would be through the Heart of the South West Joint Committee, the next meeting will take place on 2 March 2018.

20

TOPSHAM LOCK EMERGENCY INVESTIGATIONS AND WORKS

The Director (DB) presented the report to update Members on emergency investigation work at Topsham Lock and seeking authority for additional funding to stabilise the lock structure. He explained that following a routine inspection by Devon County Council engineers, it was discovered that the canal was leaking under the lock structure, creating underground voids affecting both the lock pit and walls. There was a requirement to install sheet piling to stabilise the lock, which would be more cost effective than the previous solution.

RECOMMENDED that Council approve a budget of £180,000 to undertake works to provide enhanced sheet-piling solution to preserve the stability of the lock for a further 40 years.

21

PROPOSED WHOLLY OWNED DEVELOPMENT COMPANY TO APPROVE

ADDITIONAL BUDGET FOR FIRST YEAR BUSINESS PLANNING AND COMPANY FORMATION ACTIVITIES

The Shadow Director (Development Company) presented the report which recommended to Council the allocation of an additional budget to undertake further modelling activities and a detailed first year business case to facilitate the creation of a wholly owned development company.

This report recommended the allocation of an additional budget of £166,860 to satisfy Member and Strategic Management Board requirements in connection with the formation of a wholly owned development company. The costs associated with the additional work amount to £261,030 on the basis that the work was completed by summer 2018 and presented to Council in July 2018. This constituted £223,330 for the work relating to the Development Company First Year Business Plan and £37,700 for work relating to the Development Company Creation Activities. A proportion of these costs can be recovered from the Development Company Estate Regeneration Funding that the Council had been awarded which accounted for £94,170. This would result in the Council needing to fund and provide a budget for £166,860.

In response to a question from a Member, the Shadow Director (Development Company) stated that the cost of re-developing older buildings would be recovered in the first two years of business.

Members considered that returning to the delivery programme, which had been delayed, would link in with the energy saving policy and congestion reduction as part of the council's corporate plan.

RECOMMENDED that Council approve an additional budget of £166,860 that is required to complete the necessary work required for the Development Company formation including additional work relating to option modelling.

22

THE APPOINTMENT OF TWO INDEPENDENT PERSONS

The City Solicitor & Head of HR in her capacity as Monitoring Officer presented the report to consider the appointment of 'Independent Persons' to comply with the principles set out in the Regulatory Framework of the Audit and Governance Committee.

Members were informed that Section 28 of the Localism Act 2011 ("the Act") imposed a statutory duty upon the Council to ensure that high standards of conduct were maintained by its Members and Co-opted Members. The City Solicitor & Head of HR advised of how the vacancies had arisen and that an advertisement for the vacancies had been placed in the local paper in October 2017 but that no responses had been forthcoming. However, two applications had recently been received from Mr Ian Brooking and Professor Brian Kirby who both wished to be considered for the roles of 'Independent Person'. Mr Brooking, having been appointed to this role at Devon County Council for the past six years, was both knowledgeable and experienced in this field as was Professor Kirby who, Members recalled, had sat as an 'Independent Chair' on the Council's Standards Committee until 2012 and, for a short while afterwards, on the Audit and Governance Committee, retiring in 2013.

RECOMMENDED that Council approve that:-

- (1) Professor Kirby and Mr Brooking are both appointed to the roles of 'Independent Person' for the Audit and Governance Committee with effect from 20 February 2018; and
- (2) a vote of thanks be given to Mr Fowkes and Mr Page for their help and assistance to both the Audit and Governance Committee and the Monitoring Officer throughout the term of their office.

23 **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 the following items on the grounds that they involve the likely disclosure of exempt information as defined in paragraphs 1,2, 3 and 4 of Part 1, Schedule 12A of the Act.

24 **THE HOUSING NEEDS RESTRUCTURE**

The Housing Solutions Lead presented a progress report to update Members on the restructure of the housing needs team approved for consultation by Executive on 11 July 2017. The report finalised the draft business case already agreed in accordance with the policy. The restructure would optimise the Council's ability to respond to any anticipated service delivery changes and to the Homelessness Reduction Act. He confirmed it would be a simple process, with no additional resources issues.

In response to Member's questions, the Housing Solutions Lead responded that the key change introduced by the Homelessness Reduction Act was legislative changes in the approach for Local Authorities to find accommodation.

RESOLVED that:-

- (1) the progress and actions being taken so that the next stage of consultation with employees and trade unions and the slotting in of staff to the revised roles can commence, be noted;
- (2) the target date for implementation of the new structure (1st April 2018) that is aligned with the launch date for the Homelessness Reduction Act, be approved; and
- (3) the review of the posts of Assessment and Accommodation Lead and Partnerships Lead (both currently shared across Exeter City Council and Teignbridge District Council) be noted. This would be undertaken over the next six months.

25 **MATERIALS RECLAMATION FACILITY STAFFING**

The Cleansing & Fleet Manager presented the report seeking preliminary approval for a minor restructure in the Materials Reclamation Facility, involving one full-time equivalent post being deleted and another being added. He explained the job re-evaluation process which had been undertaken to create a team leader role on a higher grade. The role would increase the supervisory capacity of the MRF (Material Reclamation Facility) and provide support to assist the plant with the required improvements.

Members supported the proposed way forward.

RESOLVED that:-

- (1) the removal of a post and the addition of a new post be supported; and
- (2) the implementation plan as described in paragraphs 10.1 – 10.3 of the circulated report be approved for consultation.

26

RAMM STAFFING RESTRUCTURE

The Museum Manager & Cultural Lead presented the report advising Members of a business case for the review and restructure of RAMM staff team. The proposed changes would improve operational efficiency and ensure staffing roles and capacity were aligned with the RAMM's Business Plan 2018-22 endorsed by Executive on 14 November 2017. The re-structure was centred on three teams of collections, audience development and visitor services.

Members supported the way forward.

RESOLVED that:-

- (1) the business case for the RAMM Staff Team restructure, as set out in the circulated report, be approved; and
- (2) the Museums Manager & Cultural Lead be authorised to proceed to the first consultation stage in accordance with the Organisational Change Policy.

27

RAMM CONSERVATION TEAM AND RESTRUCTURING

The Museum Manager & Cultural Lead presented the report on the proposed restructuring of RAMM's Conservation Department. This follow up report sought to approval the restructure following a consultation exercise. The proposed establishment changes would be in accordance with the Organisational Change Policy.

Members supported the way forward.

RESOLVED that following consultation in accordance with the Organisational Change Policy, the restructure of RAMM's Conservation Department be approved.

28

EXETER SCIENCE PARK

The Chief Executive & Growth Director presented the report regarding further equity investment to the Exeter Science Park. He advised of the strategic importance of the Science Park and that the investment, along with that of the other shareholders, would support the way forward for the Science Park. He informed Members of the investment allocations of the other shareholders.

RECOMMENDED that Council approve a further equity investment of £200,000 to Exeter Science Park Limited.

29

THE WAY FORWARD

The report of the Chief Executive & Growth Director was submitted to advise Members of the strategic way forward for the Council and the business case to support these changes.

Members were advised that the changes proposed would ensure that the Council could deliver on its priorities in these financially challenging times, and included capacity at senior management level.

Members discussed the proposal and supported the recommendation.

RESOLVED that the recommendations as detailed in the circulated report be approved in order to meet the policy and financial challenges facing the City Council.

(The meeting commenced at 5.30 pm and closed at 7.00 pm)

Chair

The decisions indicated will normally come into force 5 working days after publication of the Statement of Decisions unless called in by a Scrutiny Committee. Where the matter in question is urgent, the decision will come into force immediately. Decisions regarding the policy framework or corporate objectives or otherwise outside the remit of the Executive will be considered by Council on 20 February 2018.