

EXTRAORDINARY MEETING OF THE COUNCIL

Tuesday 26 February 2019

Present:-

Councillor Rachel Lyons (Deputy Lord Mayor) in the Chair.
Councillors Begley, Bialyk, Branston, Edwards, Foale, Hannan, Harvey, D Henson, Mrs Henson, Holland, Keen, Lamb, Leadbetter, Mitchell, Morse, Musgrave, Owen, Packham, Pattison, Pearson, Pierce, Prowse, Sheldon, Sills, Sutton, Thompson, Vizard M, Vizard N, Wardle, Warwick, Wood and Wright

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APOLOGIES

These were received from the Lord Mayor, Councillors Denham, Foggin, Gottshalk, Newby and Robson.

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BUDGET 2019/20

Minute 6 (2019/20 Council Tax Base and NNDR1) of the meeting of Executive held on 15 January 2019 was taken as read and adopted.

The Leader of the Council moved, and Councillor Sutton seconded, the resolution as set out in the agenda and circulated papers in respect of the Council Tax for 2019/20.

The Leader, in presenting this, his last budget as Leader, set the context for the proposals. Despite the Government's statement to the contrary, austerity was continuing with difficult choices necessary and, to balance this year's budget, £2.2 million of budget cuts having to be made. Exeter's Core Spending power had seen a 15.2% reduction since 2016-17, a bigger cut than every other Council in Devon and the Government had allocated extra resources directly to rural areas through the Rural Services Delivery Grant, yet areas like Exeter, serving as a focal point for those rural communities, had received nothing.

Whilst the Government had recognised the difficulties caused by austerity for some types of Local Authority District Councils such as Exeter had not been helped. County and Unitary Councils had been allowed to increase their Council Tax by an extra 6% over three years to help fund adult social care and the Police had been allowed to increase their Council Tax by £12 this year and £24 next year to give them much needed funds.

Spending on culture and events had been protected even though the Council's net budget had shrunk by a third since austerity began. Exeter possessed six organisations in the Arts Council England national portfolio, spending 23% of its net service budget on culture including £2.282 million on the RAMM alone.

There had been a heavy investment in communities with over £1.5 million given in community and arts grants every year which would be continued and work was ongoing with community groups to find sustainable ways of continuing to provide seed funding for such groups to grow and expand across the city.

The Council had engaged wholeheartedly in the prevention agenda working with Devon County Council and the NHS to invest significant resources into this work and leading Wellbeing Exeter which funds Community Connectors working in every GP practice in the city and Community Builders in every ward. This work had been recognised nationally by Public Health England as an exemplar.

As one of 12 national Local Delivery Pilots for Sport England, the Council was gearing up for a significant investment into community programmes in areas of greatest need. Work would be undertaken in local schools and workplaces to encourage and support more people to become active in everyday life. Over £3 million had been invested in Sports and Leisure Centres with new facilities in Wonford, Exeter Arena and ISCA Centre and at the Riverside. Pyramids had received a makeover to ensure that it is safe and remains open whilst the building of St Sidwell's Point flagship leisure complex was completed. A draft Physical Activity Strategy had been published setting out exciting plans for future investment in sports and leisure buildings, playing pitches and play areas.

Exeter had seen the creation of 22,400 jobs from 2007 to 2017 including 3,500 private sector jobs over the last two years with Exeter's employment rate the 7th highest in the country, and the third lowest claimant count of all cities in the country. While other cities had reported an increase in the rate of business closures, Exeter was the only city in the UK to buck this trend, with the number of business closures falling. It was noted that, per capita, CO2 emissions had continued to fall within the City.

The Council had led on passivhaus developments and through district heating networks was building a national profile for the city. The Council was looking to diversify the city centre offer. Investing in quality and steering residential, purpose built student accommodation and leisure and culture uses to the city centre had resulted in keeping footfall strong. Even with Ikea opening, footfall had dropped only 1% year on year compared with national figures showing 6% decline. The Council's investment in a new bus station and leisure complex would unlock a new phase of private sector investment in the city centre. Demand from the private sector was strong but the Council had led this programme.

The programme of investment in leisure, built and physical facilities was significant particularly given funding pressures.

The Council was seeking to deliver a balanced budget and protect and maintain the services which the citizens of Exeter need the most. It was proposed to set a District Council tax of £155.05 for a Band D property which would be an increase of £5 a year, less than 10p a week. By comparison the County precept would rise by £53.10 or £1.02 a week, the Police by £24 a year or 46 pence a week and the Fire Service by £2.51 or 5 pence a week. Therefore the Band D Council Tax would be split as follows

Exeter City Council	£ 155.05
Devon County Council	£1,384.29
Devon & Cornwall Police	£ 212.28
Devon & Somerset Fire	£ 86.52
Making a total bill of	£1,838.14

The Opposition Leader acknowledged that, year on year, Central Government cuts to local government funding was regrettable but that there were currently benefits to local authorities such as New Homes Bonus. He believed that the Council was making the wrong choices in response to reduced funding such as the decision to

build the St Sidwell's Point Leisure Centre and seeking to sell assets to help achieve a balanced budget.

Other Members also opposed the proposed budget, one stating that he believed that the Council decision to build the new leisure centre would lead to further cuts in services and staff reductions and another also stating that the cost of borrowing to fund the leisure centre would, in future years, impact adversely on front line services. The latter felt that all national parties should seek to back, rather than cut, local government services.

The Deputy Leader welcomed and supported the proposed budget emphasising that the Council, unlike some other authorities, was making responsible choices in face of continued cut backs. She highlighted the significant measures being taken to address Climate Change issues and believed that the Council continued to be ambitious and visionary, seeking to create jobs, provide good quality housing, promote the arts and culture, encourage healthy living and support the most vulnerable.

Other Members also gave their support for the budget referring to the Council's vision for the city. The Portfolio Holder for People referred to the new leisure centre as a modern, municipal facility available to all at reasonable rates when compared to some other leisure facilities in the city and also highlighting the social cost of recent Government legislation such as the impact of Universal Credit. The Portfolio Holder for Health and Wellbeing, Communities and Sport referred to the ongoing investment the Council was making across the leisure portfolio highlighting the improvements to the Council's existing leisure centres and to the £2.2 million investment in RAMM. He also stated that the funding of the St Sidwell's Point Leisure Centre had been made possible as the Council had been prudent with its monies setting aside significant funds for the project and there was a robust business case and that its cost would not impact on services.

The Leader concluded by stating that Exeter, in spite of the need to cut £2.2 million over 2019/20 and a further £2.4 million over 2020/21 and the harmful resetting of the business rates baseline, remained ambitious and proactive in facing challenges. In particular, it wished to maintain Exeter's strong, vibrant economy, support communities and go beyond the provision of statutory services and protect key discretionary services. He commended the budget to Council.

RESOLVED:-

- (1) that the following, as submitted in the Estimates Book, be approved:-
 - (a) the Revenue estimates for 2019-2020;
 - (b) the Capital programme for 2019-2020;
 - (c) the Treasury Management Strategy for 2019-20
 - (d) the Prudential indicators for 2019-20 (incorporating the Minimum Revenue Provision Statement
 - (e) the Capital Strategy for 2019-20
- (2) that it be noted that, at the meeting of the Executive on the 15 January 2019, the Council calculated the figure of 36,988, as its council tax base for the year 2019-2020 in accordance with the Local Authorities (Calculation of Council

Tax Base) (England) Regulations 2012 made under Section 33(5) of the Local Government Finance Act 1992;

(3) that the following amounts be now calculated by the Council for the year 2019-2020 in accordance with Sections 31A of the Local Government and Finance Act 1992:-

- (a) £104,134,300 being the aggregate of the amounts which the Council estimates for the items set out in Section 31A(2)(a) to (f) of the Act;
- (b) £98,399,311 being the aggregate of the amounts which the Council estimates for the items set out in Section 31A(3)(a) to (d) of the Act;
- (c) £5,734,989 being the amount by which the aggregate at (3)(a) above exceeds the aggregate at (3)(b) above, calculated by the Council, in accordance with Section 31A(4) of the Act, as its council tax requirement for the year;
- (d) £155.05 being the amount at (3)(c) above divided by the amount at 2 above, calculated by the Council, in accordance with Section 31B(1) of the Act, as the basic amount of its council tax for the year;

(e) Valuation Bands

A	B	C	D
£103.37	£120.59	£137.82	£155.05
E	F	G	H
£189.51	£223.96	£258.42	£310.10

Being the amount given by multiplying the amount at (3)(d) above by the number which, in the proportion set out in Section 5(1) of the Act, is applicable to dwellings listed in a particular valuation band divided by the number which in that proportion is applicable to dwellings listed in valuation band D, calculated by the Council, in accordance with Section 36(1) of the Act, as the amounts to be taken into account for the year in respect of categories of dwellings listed in different valuation bands.

(4) that it will be noted that, for the year 2019-2020, Devon County Council, the Office of the Police and Crime Commissioner for Devon and Cornwall and the Devon and Somerset Fire and Rescue Authority have stated the following amounts on precepts issued to the Council, in accordance with Section 83 of the Local Government Act 2003, for each of the categories of the dwellings shown below:-

Devon County Council – General Expenditure

A	B	C	D
£857.46	£1,000.37	£1,143.28	£1,286.19
E	F	G	H
£1,572.01	£1,857.83	£2,143.65	£2,572.38

Devon County Council – Adult Social Care

A	B	C	D
£65.40	£76.30	£87.20	£98.10
E	F	G	H
£119.90	£141.70	£163.50	£196.20

Devon County Council – Total

A	B	C	D
£922.86	£1,076.67	£1,230.48	£1,384.29
E	F	G	H
£1,691.91	£1,999.53	£2,307.15	£2,768.58

Office of the Police and Crime Commissioner for Devon and Cornwall

A	B	C	D
£141.52	£165.11	£188.69	£212.28
E	F	G	H
£259.45	£306.63	£353.80	£424.56

Devon and Somerset Fire and Rescue Authority

A	B	C	D
£57.68	£67.29	£76.91	£86.52
E	F	G	H
£105.75	£124.97	£144.20	£173.04

That, having calculated the aggregate in each case of the amounts at (3)(e) and (4) above, the Council, in accordance with Section 30(2) of the Local Government Finance Act 1992, hereby set the following amounts as the amounts of council tax for the year 2018-2019 for each of the categories of dwellings shown below:-

Valuation Bands

A	B	C	D
£1,225.43	£1,429.66	£1,633.90	£1,838.14
E	F	G	H
£2,246.62	£2,655.09	£3,063.57	£3,676.28

In accordance with Standing Order 30 a named vote on the Resolution was recorded, as follows:-

Voting for:-

Councillors Begley, Bialyk, Branston, Edwards, Foale, Hannan, Harvey, Keen, Lamb, The Deputy Lord Mayor, Morse, Owen, Packham, Pattison, Pearson, Sheldon, Sills, Sutton, Vizard N, Vizard M, Wardle, Warwick, Wood and Wright.

(24 Members)

Voting against:-

Mitchell and Musgrave

(2 Members)

Abstain:-

Henson D, Mrs Henson, Holland, Leadbetter, Pierce, Prowse and Mrs Thompson.

(7 Members)

Absent:-

The Lord Mayor

Councillors Denham, Foggin, Gottschalk, Newby and Robson

(6 Members)

The Resolution was carried.

(The meeting commenced at 6.00 pm and closed at 7.03 pm)

Chair