

EXECUTIVE

Date: Tuesday 14 January 2025

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 Mark Devin, Democratic Services Manager on 01392 265477.

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

Membership -

Councillors Bialyk (Chair), Wright (Deputy Chair), Allcock, Asvachin, Foale, Vizard, Williams, R and Wood

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 approve and sign the minutes of the meeting held on 3 December 2024.

(Pages 5 -
22)

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 Act 1972 - Exclusion of Press and Public

It is considered that the Committee would be unlikely to exclude the press and public during consideration of any of the items on the agenda, but if it should wish to do so, the following resolution should be passed:-

RECOMMENDED that, under Section 100A(4) of the Local Government Act

1972, the press and public be excluded from the meeting for the consideration of the particular item(s) on the grounds that it (they) involve(s) the likely disclosure of exempt information as defined in the relevant paragraphs of Part 1, Schedule 12A of the Act.

5 Questions from the Public Under Standing order No. 19

To receive questions relating to items on the Agenda from members of the public and responses thereto.

Details of questions should be notified to the Democratic Services Manager by 10.00am at least three working days prior to the meeting. Further information about speaking at a committee can be found here: [Speaking at a Committee](#)

6 Matters referred by Scrutiny Committees

To consider recommendations made to the Executive from Scrutiny Committee. (Pages 23 - 32)

7 Fleet Procurement of Waterways Operations Barge

To consider the report of the Strategic Director of Operations. (Pages 33 - 38)

8 2025/26 Budget Strategy and Medium Term Financial Plan

To consider the report of the Strategic Director for Corporate Resources. (Pages 39 - 50)

9 Council Taxbase and NNDR 1 2025/26

To consider the report of the Strategic Director for Corporate Resources. (Pages 51 - 58)

10 Housing Rents and Service Charges 2025-26

To consider the report of the Strategic Director for Corporate Resources. (Pages 59 - 72)

11 Review and update of Exeter City Council's Companies, Alternative Delivery Models and Charities

To consider the report of the Strategic Director for Corporate Resources. (Pages 73 - 286)

Date of Next Meeting

The next scheduled meeting of the Executive will be held on **Tuesday 4 February 2025** at 5.30 pm in the Civic Centre.

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

Find out more about Exeter City Council services by looking at our web site <http://www.exeter.gov.uk>. This will give you the dates of all future Committee meetings and tell you how you can ask a question

at a Scrutiny Committee meeting. Alternatively, contact Democratic Services at committee.services@exeter.gov.uk

Individual reports on this agenda can be produced in large print on request to Democratic Services committee.services@exeter.gov.uk

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EXECUTIVE

Tuesday 3 December 2024

Present:

Councillor Bialyk (Chair)

Councillors Wright, Allcock, Asvachin, Foale, Vizard, Williams, R and Wood

Also present:

Councillor Jobson (as an opposition group Leader);

Councillor Moore (as an opposition group Leader); and

Councillor M. Mitchell (as an opposition group Leader).

Also present:

Chief Executive, Strategic Director for Place, Strategic Director for Corporate Resources, Interim Director – Environment, Waste and Operations (CC), Interim Director – Environment, Waste and Operations (SL), Assistant Service Lead – Local Plan, Electoral Services Manager and Democratic Services Manager

Also present:

Derek Phillips – Chair of the Independent Remuneration Panel.

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MINUTES

The minutes of the meeting held on 5 November 2024, were taken as read, approved and signed by the Chair as a correct record.

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DECLARATIONS OF INTEREST

No declarations of disclosable pecuniary interests were made.

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QUESTIONS FROM THE PUBLIC UNDER STANDING ORDER NO. 19

No questions from members of the public were received.

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MEMBERS' ALLOWANCES 2025/26

The Executive received the report of the Council's Independent Remuneration relating to the level of Members' Allowances for the period 2024/25, as required by the Local Authorities (Members' Allowances) (England) Regulations 2003 and made recommendations on the allowance to be paid to Members. The Panel had met in October 2024, to discuss the level of Members' Allowances for the period 2025/26 and had considered a number of matters as outlined in the report.

The Chair of Independent Remuneration Panel, was in attendance and made particular reference to:-

- the basic allowance increase each year was the same figure as the local government pay award, and Exeter City Council's allowances were in-line with other local authorities in the area;
- the panel recommended that Exeter continue to remain tied to the local government pay award;

- Exeter City Council's finance team had worked out the average figure of 4% which was contained in the report;
- on the employers National Insurance, the Chancellor's reduction to the threshold to 5000 brought all Councillors into the employer requirement for National Insurance, which had been budgeted for in Exeter;
- the carers allowances in Exeter was very good, but had received very little take-up and consideration of advertising it more would be beneficial; and
- it was suggested that a full review of allowances be undertaken next year, and all Members would be invited to speak to the panel, including any who were not intending stand for election in 2026.

During the discussion, an Executive Member thanked the Chair of Independent Remuneration Panel and Officers for the work undertaken and ensuring fairness with the allowances.

Councillor Mitchell spoke on the item as opposition group leader and commented that it would be beneficial to also include former Councillors as part of the full review, to comment on why they left the authority given the recent high turnover of Members.

The Leader advised that it would only be appropriate to enquire if there were any financial reasons for why formers Members did not stand again for election.

The Leader moved the recommendations, which were seconded by Councillor Wright, voted upon, and CARRIED unanimously.

RECOMMENDED to Council that:-

- (1) the basic structure and principles of the current Members' Allowances scheme be retained for 2025/26;
- (2) the principle that any Member qualifying for more than one Special Responsibility Allowance (SRA) is paid the higher allowance only, be retained;
- (3) the Councillors' Basic and Special Responsibility Allowances including the Lord Mayor and Deputy Lord Mayor's Expenses Allowances, continue to be linked and updated in line with the national pay awards applied to staff (under the Green Book arrangements) for the previous year, (a lump sum payment of £1,290 was agreed for the period 2024/25 effective from April 2024). As this was a lump sum rather than a percentage increase across the board the Panel considered that it was appropriate to use the median percentage pay increase for Exeter City Council staff of 4% as a benchmark for the Basic Councillor Allowance;
- (4) the principle that Special Responsibility Allowances be paid to no more than 50% of the overall number of Councillors continue to be kept under review and adhered to where possible;
- (5) the current Dependants' Carers' Allowance scheme be maintained, with the continuation of the level of allowance matching the hourly Living Wage as applicable from April of each year. In the case of Members who need specialist care for a child or adult dependant, a higher rate, of up to £25 per hour or part thereof, can be agreed by negotiation in advance with the Democratic Services Manager;
- (6) the sum of £50 be paid to the Independent Persons affiliated to the Audit and Governance Committee for up to four hours work, and £100 for four hours and over, payable to each of the two Independent Persons (up to a maximum of £500 per person in any one year) be retained; and
- (7) travel and subsistence allowances available for staff continue to apply to Exeter City Councillors, where appropriate.

REVIEW OF POLLING DISTRICTS AND POLLING PLACES WITHIN THE EXETER CITY COUNCIL AREA

The Executive received the report which set out proposals for a new Parliamentary polling district and polling places arrangements, which had been recommended as a result of a statutory review as set out in Representation of the People Act 1983.

During the discussion, Executive Members raised the following points and questions:-

- the Alphington Ward previously had four polling stations, which had been reduced to three resulting in a low number of votes. Had any discussions been held on reintroducing the fourth polling station?
- had there been a decline in the number of people engaging with the democratic process in Pinhoe following the move of the Polling Station to the Exeter Harriers Athletic Club?
- what engagement had been undertaken with Members in regard to polling stations? and
- political parties were able to access election information through appropriate channels.

Councillor Moore spoke on the item as opposition group leader and raised the following points and questions:-

- a number of people had difficulty finding the entrance at the back of the St David's Community Centre. Could the front entrance be made available? and
- the EQIA didn't reference disability access to polling stations

In response to questions raised, the Electoral Services Manager advised that:-

- there was a lot of dependency on the availability of polling stations and polling districts were built around that. If a polling station was lost and another could not be obtained within the polling district, an amendment had to be made, such as that in Alphington;
- there had been no noticeable decline in the numbers using of the Exeter Harriers Athletic Club as a polling station;
- in terms of consultation, it was standard practice to contact current Councillors and obtain their views and obtain their support in finding other locations, using their local knowledge; and
- changing access arrangements St David's Community Centre could be looked at with equalities issues.

The Deputy Leader & Portfolio Holder for Corporate Services and City Centre advised Members that they were always contacted about a polling station specific to their Ward. Members were also reminded that the report was specifically about changing boundaries to include a new polling station that was used last year.

The Leader moved the recommendations, which were seconded by Councillor Wright, voted upon, and CARRIED unanimously.

RECOMMENDED that Council:

- (1) adopt the proposals as set out at paragraph 8.5 of the report for implementation from a revised register of electors for publication by 1 February 2025;

- (2) formally publish its final report on the Review of Parliamentary Polling Districts and Places within the Exeter Constituency by 10 January 2025, as required by the Representation of the People Act 1983 (RPA 1983); and
- (3) agree to complete a further review by 31 January 2030, as required by the Representation of the People Act 1983.

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REVIEW OF CORPORATE RISK REGISTER

The Executive received the report on the Council's risk management progress and the revised Corporate Risk Register which was linked to the Council's Strategic Priorities. The Audit and Governance Committee had considered and reviewed the register at its meeting held on 27 November 2024 where a suggestion had been made for Strategic Directors to include the date of when an update was made so Members would be aware of which was the most up to-date statement in the register, would be incorporated into future reports.

The Leader advised that he had met with the new Strategic Director of Operations who had provided a paper in relation to assets and in following up on the request for the city wall, a separate asset risk register would be produced for future inclusion.

During the discussion, Executive Members raised the following points:-

- the risk owner for 'Maintaining a thriving Culture and Heritage sector' needed to be amended to the Portfolio Holder for Arts, Culture & Tourism;
- the inclusion of cyber security as a risk and appropriate mitigations was welcomed;
- the risk for 'Making progress towards a Healthy and Active City' had since received commitment from Sport England for funding until 2027 through the new place partnership;
- a submission had been made for the Public Sector Decarbonisation Scheme for the Riverside and the outcome will be confirmed in January 2025; and
- a lot of activity had taken place for Citywide Net Zero with a dedicated member of Staff appointed to undertake engagement.

Councillors Mitchell and Moore spoke on the item as opposition group leaders and raised the following points and questions:-

- there was a process issue to address in spacing out the time period between Audit and Governance Committee meetings and the Executive;
- the second part of the recommendation needed clarification in proposing actions to risks and whether a written report would be provided on actions;
- would the RAMM be remaining on the risk register in reference to not being included in the bid for the Public Sector Decarbonisation Scheme; and
- could the Portfolio Holder provide intermediate targets for Net Zero 2030?

The Leader advised that processes would be looked at and key matters including Net Zero were considered at Scrutiny Committee. Detailed questions could also be sent to the relevant officers and the wording of the recommendations would also be reviewed.

The Leader moved the recommendations, which were seconded by Councillor Wright, voted upon, and CARRIED unanimously

RESOLVED that the Council's Corporate Risk Register be approved and any necessary actions to help mitigate the risks be proposed to Council.

The Executive received the report on the overall financial position of the General Fund Revenue Budgets for the 2024/25 financial year after six months and to approve additional expenditure required during the financial year.

Particular reference was made to:-

- section 8.2 of the report outlined the financial outcome of the senior leadership restructure. The original proposal had projected a reduction in costs of £388,110 during this financial year and following some interim arrangements, it was now projected as £389,000;
- there were some areas of concern on the commercial property income, which related to bad debt policy and would be addressed as part of the new arrangements;
- another area of concern was on temporary accommodation which was a continued national issue and planning income also remained a challenge; and
- the report was seeking Council approval for supplementary budgets, for staffing the household support fund, money would be transferred to an earmarked reserve.

During the discussion, Executive Members raised the following points and questions:-

- the income from the CCTV monitoring service was welcomed;
- Members had recently received an invitation to visit the CCTV Centre, which was always a welcome visit;
- whilst there was a reported £200,000 underspend for asset maintenance budget for leisure and support, they were older buildings and there was still work that needed to be undertaken;
- were the RAMM service savings from the energy consultant review part of the PSDS project? and
- the reference to the historic vacancy within the waterways engineering area had now been filled and the post holder would commence in January 2025

Councillors Jobson, Mitchell and Moore spoke on the item as opposition group leaders and raised the following points and questions:-

- clarification was sought on the car parking price increase having a detrimental effect on business rates and at what point would lowering charges to make a saving be considered?
- could more information be provided on the overspend pension strain payments;
- planning Services showed a net overspend of £200,000, had there been any impact from charging for pre-application of advice or any impact anticipated during the year?
- how will the Council address the unachievable future target of £280,000, considering it wouldn't be eligible for the portion of the Devon County Council share scheme for food waste?
- was there still a heavy reliance on using agency staff? and
- was there any more detail available about the use of the secondary reclamation facilities?

The Leader advised that a Members Briefing for an update on food waste would be arranged.

The Leader moved the recommendations, which were seconded by Councillor Wright, voted upon, and CARRIED unanimously.

RECOMMENDED that Council note and approve (where applicable):

- (1) the General Fund forecast financial position for the 2024 financial year;
- (2) the supplementary budgets and budget transfers as detailed in paragraph 8.9 and Appendix 3 of the report;
- (3) the outstanding Sundry Debt position as at September 2024;
- (4) the creditors payments performance; and
- (5) the One Exeter programme update.

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2024/25 GENERAL FUND CAPITAL MONITORING STATEMENT – QUARTER 2

The Executive received the report on the current position of the Council's revised Annual Capital Programme, which advises Members of the anticipated level of deferred expenditure into future years. The report also sought approval to amend the Annual Capital Programme in order to reflect the reported variations.

Particular reference was made to:-

- the council had spent Council £2.89 million, of the revised Capital Programme in the preceding year, which equated to 12%;
- there were further funding requests for a disabled facilities grant of £141,140, to be funded from external grants, a request for an additional £100,000 for Topsham Museum to address unforeseen additional structural issues funded from borrowing and a request for a Harbour Workboat, which was expected to be funded from Capital receipts when they were available.

During the discussion, Executive Members raised the following points and questions:-

- a report would be coming to Executive in 2025 about the Harbour Workboat; and
- the funding support to the Topsham museum was welcomed.

Councillors Jobson, Mitchell and Moore spoke on the item as opposition group leaders and raised the following points and questions:-

- clarity was sought on borrowing to cover the Topsham museum funding, given the Council was no longer borrowing and would that delay the work?
- the landfill gas extraction system was currently postponed, but would a report on methane emissions from the landfill extraction system be made available to Members? and
- was the £4.9 million deferral for the Guildhall shopping centre related to the potential office move?

In response to questions raised, the Strategic Director for Corporate Resources advised that:-

- the work at Topsham museum would not be held up. The Council was not currently using long term borrowing, but was able to use short-term borrowing or use its own cash reserves;
- questions relating to landfill extraction would need to be sent to the relevant officer to respond to;

- the Guildhall shopping centre budget enabled the Council to fulfil its duties as a landlord for new tenants. The budget to support any potential office move would be presented as a separate report for funding if the process were approved by Members.

The Leader moved the recommendations, which were seconded by Councillor Wright, voted upon, and CARRIED unanimously.

RECOMMENDED that Council approve:

- (1) the overall financial position for the 2024/25 Annual Capital Programme; and
- (2) the further funding requests to the Council's Annual Capital Programme for 2024/25, as detailed in paragraph 8.6 of the report.

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2024/25 HRA BUDGET MONITORING REPORT – QUARTER 2

The Executive received the report on the financial position of the HRA Revenue and Capital Budgets for the 2024/25 financial year after six months and highlighted budgetary over/under-spends. The report also outlined areas of risk, to ensure Members were aware that certain budgets had been identified as being vulnerable to factors beyond the control of the Council and were being closely monitored by officers.

Particular reference was made to:-

- the Council was continuing to take a more proactive approach to repairs and maintenance in the Housing Revenue Account (HRA), focussing on identifying repairs at an earlier stage and this had caused the overspend; and
- there would be likely revisions to the budget and a fuller budget would be provided in future years;

During the discussion, Executive Members raised the following points and questions:-

- it was important to note that changes in the report reflected the proactive work being undertaken;
- Rennes House had been closed and residents who had been moved were very positive about the process and welcomed the new accommodation; and
- what has been the impact on the budget in not keeping Rennes's House?

Councillor Moore spoke on the item as opposition group leader and welcomed the proactive approach and noted, the importance of the repairs and sought assurance that there would be no delays until the new Financial year for the repairs to be completed due to budgetary pressures.

In response to questions raised, the Strategic Director for Corporate Resources advised that:-

- over the medium term, there would be a significant reduction from not maintaining Rennes House, but in the short term, there were associated costs. However, funding for demolition had been made and work with Telecom operators was underway, in regard to the masts; and
- the repairs and maintenance projection was a forecast of where the Council would be at the end of the financial year.

The Leader moved the recommendations, which were seconded by Councillor Wright, voted upon, and CARRIED unanimously.

RECOMMENDED that Council notes and approves (where applicable):

- (1) the HRA forecast financial position for 2024/25 financial year; and
- (2) the revised HRA Capital Programme to reflect the reported variations detailed in Appendix 4 of the report.

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TREASURY MANAGEMENT 2024/25 HALF YEAR UPDATE

The Executive received the statutory report on the current Treasury Management performance for the 2024/25 financial year and the position regarding investments and borrowings at 30 September 2024. The report further sought the adoption by Council of a Treasury Management Environmental, Social and Governance policy.

Particular reference was made to:-

- this year the Treasury Management also included Environmental Social and Governance Policy as requested by Scrutiny Committee for Council approval;
- the council had now dis-invested from using Barclays and the Council was proposing to run down its cash balances to avoid undertaking longer-term borrowing over the next six months; and
- it was anticipated that some short-term borrowing may be required to maintain the cash position, which was built into projections and future budgets;

During the discussion, Executive Members raised the following points and questions:-

- the Environmental Social and Governance Policy and dis-investment from using Barclays was welcomed;
- could further detail be provided on the legal aspects of balancing investments;
- was there a means to measure security liquid and yield core principles when considering environmental social and governance?

Councillor Moore spoke on the item as opposition group leaders and raised the following points and questions:-

- would the Council be closing its account with Barclays and transferring to another bank?
- it was important that those principles were framed within the legal commitments;
- the environmental principle didn't specifically reference climate change; and
- were the social elements for human rights taken into consideration for use of banks who invest with other companies that Council would unlikely deal with?

A Member advised that section 6 of the report outlined that climate change could not displace the Security Liquidity and Yield (SLY) principles.

In response to questions raised, the Strategic Director for Corporate Resources advised that:-

- Members had a legal responsibility to consider SLY as part of Treasury Management, but a frame work could be introduced to support decision making;

- the Council required having £15 million on standby at any time to ensure cash flow was effectively managed; and
- the ESG policy would help identify the best products that meet the ESG policy, but the Council would still be able to use organisations that meet the counterparty requirements in exceptional circumstances;

The Leader moved the recommendations, which were seconded by Councillor Wright, voted upon, and CARRIED unanimously.

RECOMMENDED that Council:

- (1) note the Treasury Management report in respect of the first six months of the 2024/25 financial year; and
- (2) adopt the Treasury Management Environmental, Social and Governance policy.

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CITY POINT UPDATE

The Executive received the report which provided a review of recent developments at the City Point site and proposed the next steps for bringing the development forward, including temporary and meanwhile uses for the former Exeter Bus Station site, until a longer-term budget had been identified.

Particular reference was made to:-

- the Council's long-term ambition was to enable a comprehensive regeneration of the strategically important site, which could take several years, and it was therefore important to look at bringing forward some temporary and meanwhile uses;
- the Council owned the land and had full control, and it was important to bring some temporary and meanwhile uses forward;
- since 2019, the original plans for a new Civic Hub in partnership with the Crown Estate had been deemed unviable with a greater focus on accommodation requirements;
- the Fraser group had recently taken over the long-term lease of the Paris Street side of the site and discussions for long term use were being considered; and
- City Point remained a key development opportunity and had been identified in the Exeter Plan for a range of uses, including homes, employment and a gateway to the city centre;
- officers would be looking to explore the potential of the site, undertaking market research and engagement with interested parties to address delivery options, to bring back a proposals report to the Executive in early 2025; and
- officers would also evaluate the condition of the former bus station site and potential meanwhile uses and the potential to use the upper deck as a temporary car park.

During the discussion, Executive Members raised the following points and questions:-

- clarification was sought on recommendations 2.3 and 2.4 and whether one excluded the other?
- Further clarification was sought on recommendation 2.3 and whether the proposals coming in early 2025, were for meanwhile use or longer-term use?
- the report highlighted the site would not be used as a carpark which was welcomed, and that the report advised that longer term use was being

addressed and meanwhile use options were being looked at around available finances; and

- the Exeter Phoenix Arts Board had expressed an interest in the site for potential pop-up theatres and markets.

Councillors Mitchell and Moore spoke on the item as opposition group leaders and raised the following points and questions:-

- in reference to paragraph 13.2 of the report, was the Council willing to release land to a private sector developer and risk losing control of the use of land?
- recommendation 2.2 advised officers would be making the decision, but it should be open for ideas from the community and Members.

The Leader advised that the Council would be talking to communities and options would be presented back to the Executive. The Chief Executive confirmed that officers would bring proposals forward to Members

In response to questions raised, the Strategic Director for Corporate Resources and Strategic Director for Place advised that:-

- the process for recommendations 2.3 and 2.4 would function together;
- the Council had complete control of the site and would be undertaking market research and bringing forward a complete comprehensive development of the whole site required close cooperation and collaboration with the Fraser Group; and
- the Council was looking at the long-term proposals for a comprehensive development, which required the involvement of the Fraser Group.

Following the discussion, the Leader advised that recommendation 2.2 needed to be clearer, to clarify that officers would bring forward medium term meanwhile proposals back to the Executive for consideration.

The Leader moved and Councillor Wright seconded an amendment to the recommendation 2.2 to read as follows:-

(2) that meanwhile uses for the Former Bus Station site would be considered and that officers would develop medium term uses for the site, plans for consultation, and to bring forward ideas, having given consideration to there being no financial resources at the current stage.

The Leader moved the amended recommendations, which were seconded by Councillor Wright, voted upon, and CARRIED unanimously.

RESOLVED that the Executive note:

- 1) the progress to date following the withdrawal of The Crown Estate's interest as lead developer;
- 2) that meanwhile uses for the Former Bus Station site would be considered and that officers would develop medium term uses for the site, plans for consultation, and to bring forward ideas to the Executive, having given consideration to there being no financial resources at the current stage;
- 3) that officers and potential development partners (including new adjoining landowners), would work on a potential comprehensive delivery solution and present proposals to the Executive in early 2025; and
- 4) that a market insight report be commissioned by officers to look at delivery options for the land within the City Council's control.

THE EXETER PLAN: PUBLICATION

The meeting was briefly paused during this item between 7pm and resumed at 7.08pm.

The Executive received the report which explained the progress made on the Exeter Plan (Local Plan) and sought approval to publish the Regulation 19 Publication version of the Plan in advance of its submission to the Planning Inspectorate. Exeter City Council had a statutory duty to prepare planning policy for the city as the Local Planning Authority and the Exeter Plan would replace the two existing principal development plan documents for the city if adopted.

During the presentation, particular reference was made to:-

- the Exeter Plan had been in production for four years, and had included three full public consultations;
- the plan presented was the regulation 19 version, which was effectively the final draft before submission to the planning inspectorate;
- in July 2024, the new government had announced a series of planning reforms, which would require the Council to plan for an additional 3,500 homes, requiring additional sites to be identified, which could result in starting the local plan work over and by publishing the Exeter Plan sooner, the Council would avoid this risk, whilst addressing the additional homes at a later date;
- since January 2024, the team had been assessing the consultation responses, gathering evidence and consulting Members, through Planning Member Working Groups and Scrutiny meetings;
- the plan was now at its final stage, and going forward could only receive formal representations related to the four tests of soundness criteria as set out in 8.26 of the report, and that the Council would need to submit the plan in the form it was published for consultation, together with consultation representations;
- the Exeter Plan would be submitted in June 2025 to the planning inspectorate, with examination expected to commence in November 2025 and adoption in 2026 (subject to Planning Inspectorate timeframes);
- some of the key policies that had changed included the affordable housing at policy H4 and on mixed and balanced communities. The plan retained the commitment to addressing viability challenges and delivering sustainable and affordable housing across the city;
- the affordable housing policy reflected both the received viability evidence and the updated housing needs assessment, given the differing costs between Brownfield and Green Field developments;
- evidence showed there was a need for a 50:50 split of the affordable housing between social rent and affordable home ownership. The existing policy required 35% affordable housing across all sites with a split of 70:30 (70% for social rent including affordable rent and 30% affordable rent/shared ownership). The new policy retained the 35% on Greenfield sites, but proposed 15% on Brownfield sites;
- there was a proposal to introduce additional explanatory text as a minor amendment to the current version of the plan to highlight the intention to increase affordable housing delivery across the city;
- the Council-owned housing program was also seeking to deliver 500 Council homes by 2030 and would be working with partnerships including Homes England and housing associations to support additional affordable housing;

- the policy relating to balanced communities addressed the challenge of student housing, balancing the benefits of the university against potential impacts of developments;
- the plan was consistent with the key strategy policy (S1) which outlined the spatial strategy for the plan, focussing the majority of developments on Brownfield sites, protecting green spaces, reducing travel, and promoting active lifestyles;
- the policy had been strengthened to include additional details for citywide biodiversity, heritage and employment provisions;
- revisions to the plan had been developed from consultation responses, partnership discussions and Member discussions; and
- site allocations that had been removed for delivering housing included Marsh Barton, the Northgate area and Middlemore, whilst adding 18 mixed use or residential sites across the city. Some revisions to site allocations have also been made.

During the discussion, Executive Members raised the following points and questions:-

- thanks were made to the officers for the excellent work undertaken over a long period of time to bring the final version of the plan to Members;
- it was important that the Council had clear, reasonable and evidenced policies to direct development in the city toward Brownfield sites to address net zero and healthy lifestyle ambitions;
- the plan reflected the feelings of communities across the city but it was important to acknowledge that there were viability constraints;
- the plan could be reviewed over time to address market value changes;
- the Council could deliver affordable housing through the planning system and through partnerships and pursue other avenues for funding;
- there was an improvement in the plan for defining HMOs and overconcentration;
- could the high level of consultation that had taken place be explained?
- the detailed chapter on climate change was welcomed;
- could examples be provided where the Council was being proactive, rather than reactive to government policy and measures for tackling climate change?
- was there any scope in the plan to address improving transport in the city?
- what was the time period for the viability evidence?
- could an example be given of how partnership working has enabled the Council to achieve more affordable housing and making the percentages a reality?
- could clarification be given on the reference to the national transitional arrangements and if the report was accepted the current housing targets, would remain in place until 2040? and
- could Members change anything in the report if they desired and what would be the impact of doing so?

Councillor Mitchell as opposition group leader had submitted an advanced question as follows:-

- could the Leader offer clarity on the reference of 'a significant gap', as stated in the letter from the Secretary of State for Housing, Communities and Local Government on 30th July 2024, referring to the plan and the new local housing figures. Could the Leader also inform the Executive whether any gaps exist between the Exeter housing projections in the new Exeter Local Plan and those that proposed by the Labour government?

The Leader in responding to the submitted question from Councillor Mitchell, explained that:-

- a significant gap was defined in the explanatory information which went alongside the national planning policy reforms consultation in the summer 2024 and was defined as over 200 dwellings per annum and the requirement for homes included in the Draft Exeter Plan was 642 per annum. The revised local housing requirement for Exeter, (as consulted in summer 2024), was 815 per annum, equating to a difference of 173 per year.

Councillor Mitchell in asking a supplementary question enquired on what assurances the council had received that the current proposal was acceptable and would not need to be reworked?

Councillors Jobson and Moore spoke on the item as opposition group leaders and raised the following points and questions:-

- given the regulation 19 plan was recommended for approval and that it would be of sync with the new National Planning Framework Policy, had legal advice being sought on any potential planning appeal?
- the current Council policy referred to housing and social rent housing. Was council housing not included because housing associations charged higher rents?
- the affordable housing policy had been changed since the last draft, notably the difference on the brownfield sites, who had made that decision?
- when the consultation begins, would all the evidence accompany it at that time, or would it be included for Council?
- welcomed the nature and water additions and that the inclusion of quality targets would be beneficial; and
- enquired on process for reports, with the forward plan indicating the matter was an Executive function, where there are also recommendations to Council.

The Leader advised that there were three resolved matters for the Executive and two recommendations for full Council to consider on 17 December.

The Portfolio Holder for City Development, advised the plan had been adjusted to due to the viability evidence received, which had been carefully considered by officers. Options for leveraging funding to deliver affordable housing targets would be addressed.

In response to questions raised, the Strategic Director for Place, the Assistant Service Lead – Local Plan and Democratic Services Manager advised that:-

- it was standard practice to review policies within a five-year period, with a potential earlier review opportunity the planning inspector based on the uplift in housing numbers;
- consultations have involved multiple methods, including online consultation, ward exhibitions, community engagement and meetings with Councillors and community groups. The consultations had received a positive and high volume of response. Detailed figures of responses could be made available to Members;
- there were various elements in the plan which addressed climate change and sustainability but also in development strategy for reducing travel and lowering emissions;

- the plan had identified a number of local energy networks and a policy for working with Devon County Council as the transport authority to look at transport plans and bus service improvements;
- the viability time period presented data at the current most up to date time across a wide area, and can be subject to change;
- the plan would be submitted in June 2025, and there was still work to be done which would evolve the plan;
- all evidence would be provided to the inspector and was available online to be viewed alongside the plan. All new evidence would be included until the submission time; and
- the legal requirement for the forward plan was to include forthcoming Executive decisions. Exeter City Council, by way of being fully open and transparent also included forthcoming Council decisions, but it wasn't a legal requirement to do so and therefore had no impact on the recommendations;

The Leader advised on the point raised about evidence being published alongside the draft had been clarified during the debate.

The Leader moved the recommendations, which were seconded by Councillor Wright, voted upon, and CARRIED unanimously.

RESOLVED that:

- (1) the publication of the Regulation 19 version of the Exeter Plan be approved for an eight-week period from 12 December 2024;
- (2) delegated authority be granted to the Strategic Director for Place, in consultation with the Portfolio Holder for City Development, to agree minor changes to the Regulation 19 Publication version of the Exeter Plan before it is published; and
- (3) delegated authority be granted to the Strategic Director for Place, in consultation with Portfolio Holder for City Development, to agree a change to the publication date if required.

RECOMMENDED that Council:

- (1) approves the submission of the Exeter Plan, policies map, associated documents, evidence base and Regulation 19 representations, to the Planning Inspectorate for Examination; and
- (2) that delegated authority be granted to the Strategic Director for Place, in consultation with the Portfolio Holder for City Development, to make minor changes to the Regulation 19 Publication version of the Exeter Plan and to submit these to the Planning Inspectorate for Examination.

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THE USE OF BODY WORN VIDEO CAMERAS

The Executive received the report which sought approval for the use of Body Worn Video Cameras for enforcement activities, ensuring the protection of the public and the prevention of crime across the City, when Council officers are engaged in enforcement activities. An example copy of a body worn camera was presented at the meeting.

Particular reference was made to:-

- 22 of body worn cameras had been purchased earlier in the year using funding from the UK shared prosperity fund;

- the cameras would address growing levels of Anti-social Behaviour, notably in the city centre; and
- in a first phase approach, the cameras would be used by the car parks team and new community safety team as part of their daily duties.

During the discussion, Executive Members raised the following points and questions:-

- although there was increased accountability and evidence gathering needed, there were also concerns relating to privacy, data rights and storage;
- the EQIA referred to a risk of unconscious bias, had this been factored into training for officers?
- the cameras had a screen, which when activated would display what's being recorded;
- it was important to protect both citizens and officers when gathering evidence; and
- what was the storage retention for the camera footage? and
- if recordings were stored for 30 days, would residents be able to request copies of the footage?

The Deputy Leader & Portfolio Holder for Corporate Services and City Centre advised that filming and data management was covered under the current CCTV control room camera usage policy and that the EQIA focussed on cameras being there to protect officers. It was assumed that with cameras operating, it would deter certain behaviours, which was a positive impact

Councillor Moore spoke on the item as opposition group leader and raised the following points and questions:-

- welcomed the recommendations to protect officers;
- enquired about the duration of the trial period and where would the results be reported to for longer term use? and
- the EQIA section on religion hadn't been completed, considering there were some discrimination issues related to various faiths.

In response to questions raised, the Strategic Director for Place and the Interim Director – Environment, Waste and Operations (SL) advised that:-

- the proposal was to introduce body worn cameras initially for the car parking and community safety team with a view to provide to other teams in due course;
- body worn cameras were covered under the council-wide CCTV policy with staff who were security industry trained and appropriately checked and qualified;
- staff would be unable to download or access footage with security mechanisms in place;
- if footage was required for evidential purposes, there were appropriate forms to available to justify the request;
- the data retention period was 30 days, which was consistent with security industry authorities' guidance and the information commissioner;
- residents could make a Subject Access Request (SAR) for a copy of the footage and procedures for release would also then apply;
- body worn cameras were common place and supported better behaviour towards staff.

In response to additional Member questions, the Chief Executive explained that all policies had a timescale for review and this policy would be reviewed in due course. The Chief Executive also noted that unconscious bias was missing from the religion section of the EQIA, which would be added. Members were advised that unconscious bias training was also being provided.

The Leader moved the recommendations, which were seconded by Councillor Wright, voted upon, and CARRIED unanimously.

RECOMMENDED that Council approves the Body Worn Video Cameras Policy and the use of Body Worn Video Cameras across the City Council's enforcement activities.

134 **APPOINTMENT TO THE DEVON AND TORBAY HOUSING ADVISORY GROUP**

The Executive received the report seeking agreement to nominate the Leader of the Council to represent Exeter City Council on the Devon and Torbay Housing Advisory Group (DTHAG).

Particular reference was made to:-

- the DTHAG would replace the existing informal housing task force represented by all Devon Councils with a formal constituted group as part of the Combined County Authority (CCA) structure;
- the group would have its own Terms of Reference and would be operating as an advisory group only; and
- each of the Devon Councils were required to nominate an elected member before the end of the year so a meeting may be convened early in 2025.

During the discussion, Executive Members raised the following points and questions:-

- was there any indication from the terms of reference for a deputy to attend in the unlikely event that the Leader was unable to attend? and
- having a representative on the group was important to ensure the Council had a voice on the emerging CCA and housing targets

Councillors Mitchell and Moore spoke on the item as opposition group leaders and raised the following points and questions:-

- supported the suggestion that a substitute should be available if the Leader was unable to attend and should be a part of the Terms of Reference;
- clarity was sought on the remit for providing more affordable and social housing and was the focus of the group going to be on meeting the housing target? and
- to what extent would the group be focused on addressing the housing crisis?

The Leader advised that 8.5 of the report provided the detailed strategic and operational role of the DTHAG and that a deputy would be considered.

The Leader moved the recommendations, which were seconded by Councillor Wright, voted upon, and CARRIED unanimously.

RESOLVED that the Leader of the Council, Cllr Philip Bialyk, be appointed to represent Exeter City Council on the Devon and Torbay Housing Advisory Group.

SELECTION AND APPOINTMENT OF EXETER HARBOUR DESIGNATED PERSON

The Executive received the report which outlined the selection process for individuals with suitable knowledge and understanding to serve as the 'Designated Person' (DP) to the Exeter Harbour Duty Holder and recommended the appointment of James Hannon, Associate Maritime Consultant in the role. A copy of Mr Hannon's CV was attached to report as a Part II item, for the reasons that it related to an individual's information.

Particular reference was made to:-

- Mr Hannon was considered suitably qualified to meet the Port Marine Safety Code requirements to act as the Designated Person (DP) for the Harbour Duty holders and to provide an independent overview of the Council's Port Safety Systems; and
- the Council's Harbour Master had approached five individuals and two suitable applications with demonstrable competencies had been received. Mr Hannon was considered to have the most extensive Port Marine safety experience and was also the current DP with Dorset Council.

The Portfolio Holder for City Management advised that a meeting was being arranged to address Duty Holder governance, for 13th January 2025. She expressed her thanks for the work that had been undertaken to date in appointing the Duty Holder, provision of training and in appointing the DP.

The Leader moved the recommendations, which were seconded by Councillor Wright, voted upon, and CARRIED unanimously.

RESOLVED that James Hannon, Associate Maritime Consultant be appointed as the Designated Person for the role of Harbour Duty Holder.

APPENDIX A - SELECTION AND APPOINTMENT OF EXETER HARBOUR DESIGNATED PERSON

The recommendations were agreed in Minute No.135.

(The meeting commenced at 5.30 pm and closed at 8.35 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 17 December 2024.

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Recommendations from Scrutiny Committees to the Executive Committee.

From the Strategic Scrutiny Committee meeting held on – 6 June 2024

Minute No. 24 - Commercial Property Review

RECOMMENDED that the Executive Committee consider a review of the current Asset Management Policy in relation to commercial property.

From the Customer Focus Scrutiny Committee meeting held on – 28 November 2024

Minute No. 38 - Citizens Advice Exeter and Exeter City Council

RECOMMENDED that the Executive Committee revisit options for Citizens Advice Exeter to reduce their premises expenses with Exeter City Council.

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Minute Extract from Strategic Scrutiny Committee – 6 June 2024

Minute No. 24 - Commercial Property Review

Chair proposed that Commercial Property Review be heard.

The Director Finance introduced the report stating that there were around 600 leases and licenses, many historic owned since wartime and all were within the city.

The City Surveyor presented the report making the following points:

- There was a substantial asset value of £98.5million with an annual rental income of £8.38 million;
- In addition, land ownership strengthened strategic control of land use and regeneration
- A review of disposals would be coming to Executive as a more proactive approach was needed;
- There were recruitment issues within the team and innovative approaches were being explored to address this; and
- the funds for the Guildhall were ring-fenced.

The Director Finance and the City Surveyor answered questions from Members as follows:

- any sales funds not used for debt repayment would need to be invested and may break-even but longer-term interest rates may fall and impact on investment;
- rents were reviewed with new leases and rent review events. There were opportunities for restructuring of leases in locations such as the High Street and Marsh Barton;
- there was a budget of £1.7million to address Environmental Performance Certificates when properties were returned;
- it was requested that the Scout Hut make contact with the team with a proposition and the lease length could then be discussed;
- the wider corporate aims to reduce carbon impact to objectives would be added;
- Capital receipts go into the General Fund and were treated as any other funding;
- interest and capital were paid, as fixed rate loans and all would have a zero balance at the end;
- there were a number of capital requirements which would need to be prioritised;
- the government were not encouraging the acquisition of commercial property, hence the Guildhall funds were ring-fenced for use on regeneration activities;
- Office occupancy was down but Senate Court was amongst the most modern offices in the city which people are willing to pay for, but re-investment was needed to continue this;
- an asset strategy review was required but should take place after the corporate restructure;
- some historic assets were used as operational spaces and the Council worked with the historic organisations;
- there were not many applications under community asset transfer;
- the city wall was not strictly commercial but a member of the team was working on a repair project;
- a report would be coming on Belle Isle. Mary Arches was on the market and CityPoint and Clifton Hill will follow;
- there were government rules around paying back and re-financing of the Guildhall, with a management agent in place dealing with billing, tenants and maintenance, which was also monitored by a Council accountant;

- there were not really any post-covid trends around voids. The long-term void in the Guildhall was paying rent in full and not sub-letting; and
- recruitment issues within the team were problematic.

Councillor Mitchell proposed and Councillor Moore seconded the following recommendation which following the vote was carried.

RECOMMENDED that the Executive Committee consider a review of the current Asset Management Policy in relation to commercial property.

RESOLVED that the report was noted.

Minutes Extract from Customer Focus Scrutiny Committee – 28 November 2024

Minute No. 38 - Citizens Advice Exeter and Exeter City Council

The two Citizens Advice Exeter items on the agenda were presented jointly. After the representatives from Citizens Advice Exeter had introduced themselves, the Chair:

- encouraged all participants to avoid the divisive language of “sides;”
- reminded all attendees that this is not a Scrutiny of Council Officers, as the decision to halt the funding of Citizens Advice Exeter was a political one;
- explained that the Strategic Director – People and Communities was present to provide points of clarity if required; and
- requested that any Motions that Members wish to propose be formulated after the end of the debate.

She then invited Councillor Vizard, as Portfolio Holder for Communities, and Councillor M Mitchell, as originator of the Scrutiny proposal, to the table.

The Chair announced that the reports and appendices would be taken as read. She asked the originator of the Scrutiny proposal to open the debate. Councillor M Mitchell made the following comments:-

- it was important to move forward;
- the easy action for Members would be to take no action;
- Citizens Advice essentially wanted Exeter City Council to look at the matter again;
- the remit of this Scrutiny committee was to make a recommendation to the Executive;
- this issue would be revisited for the 2025-26 Budget;
- the present meeting did not mark the end of the conversation; and
- every District Council in Devon contributed financially to Citizens Advice except Exeter City Council.

During debate, Members expressed the following views:-

Councillor Fullam:-

- reminded Members of his current role working in social housing;
- noted media reports of rising demand for legal advice;
- wondered what capacity there was to fulfil such a role in the city; and
- wondered who people needing immigration advice and/or with a language barrier could turn to.

Councillor Harding:-

- raised the issue of the knock-on effect on ECC staff if people could no longer turn to Citizens Advice Exeter.

Councillor Moore:-

- raised the issue of data recording, remarking that Citizens Advice Exeter had sent regular updates to ECC;
- asked how the referrals had been monitored during the contract period;

- asked what contract management was in place; and
- asked if staff had been advised to stop issuing referrals.

Councillor Darling:-

- sought clarity regarding discrepancies around rent and service charges in the tables submitted by Citizens Advice Exeter; and
- asked why Citizens Advice Exeter had spent £75,000 on premises when premises had been offered to them by ECC.

Councillor Read:-

- felt that no overall monetary impact assessment on Council finances had been made; and
- wondered if it was likely to be plausible that there would be no impact.

Councillor Pole:-

- sought clarity and detail on the income and expenditure summary table submitted by Citizens Advice Exeter and queried why the figures Devon County Council, Exeter City Council and 'other' were presented jointly in a single column;
- raised the issue of performance indicators linked to the contract between ECC and Citizens Advice Exeter; and
- made reference to the work of the Churches Housing Action Team (CHAT) in Mid-Devon, whose services also included debt advice.

Councillor Wardle:-

- remarked that Citizens Advice Exeter had known about this issue for six and a half years; and
- noted that the costs of running the service had nearly doubled since 2018.

Councillor Rees:-

- reminded Members that supporting the vulnerable was at the heart of what a Council did; and
- asked Members if they agreed that early intervention was crucial to any long-term strategy.

Councillor Vizard:-

- agreed with Councillor Rees's last point, remarking that this was what Wellbeing Exeter did;
- reassured Members that none of the debate taking place was lost on the Executive;
- explained that, on the issue of data analysis, it was through the tendering process that such work could be done.

Councillor Patrick:-

- asked Citizens Advice if there were any current bids they felt confident about.

Councillor Miller-Boam:-

- asked Citizens Advice Exeter whether they would find a way to reduce their costs, should end funding be found.

The Citizens Advice Exeter representatives made the following comments:-

- the impact of the end of the Citizens Advice Exeter funding on the city of Exeter would be significant;
- there was no way of currently knowing where the people needing immigration advice and/or with a language barrier would go;
- Citizens Advice Exeter recommended a full EQIA;
- Citizens Advice Exeter had negotiated smaller premises;
- nobody had suggested to them that they could have free accommodation;
- moving into the ECC Customer Centre was not a practical solution when it had first been suggested, because of costs linked to the move but also because of the perceived stigma attached to coming into Council premises;
- Citizens Advice Exeter would be prepared to explore moving into a customer hub going forward;
- while it was currently impossible to assess the impact that the end of the funding would have on the city of Exeter, the plain facts were that Citizens Advice Exeter had reduced their services and that the demand was still there;
- the figures in the first column of the income and expenditure summary table were for Exeter alone;
- the Citizens Advice Exeter member of staff based at Exeter City Council was purely doing money advocacy;
- Citizens Advice Exeter shared some of their leadership costs with other Devon branches;
- Citizens Advice Exeter currently had a worker based at Trussell three days a week;
- there was nothing Citizens Advice Exeter could do about Local Authorities pulling funding, but by the same token CA could not change their services;
- all of Citizens Advice Exeter's funding other than crowdfunding had been in place for years;
- while Wellbeing Exeter did indeed play a part in early intervention as alluded to by Councillor Vizard, it did not replace the vital role played by Citizens Advice Exeter;
- over the last year, Citizens Advice Exeter had submitted bids totalling £56,000 and had expressed an interest in the Legal & General grant (worth max. £75,000 over three years);
- larger 'bidding pots' were becoming increasingly rare;
- Citizens Advice Exeter had already reduced their overheads, including reducing staff hours to avoid redundancies;
- the next step was to offer voluntary redundancy;
- stripping their offer back to just a telephone service with no premises would allow Citizens Advice Exeter to keep the project going; and
- constructive debates around Council funding issues were taking place in Devon and nationwide.

The Strategic Director – People and Communities made the following comments:-

- the ECC Housing & Homelessness Advice service contract had been awarded to Citizens Advice Exeter through a tendering process in the summer;
- referrals for this service come from Exeter City Council Housing Advisors;

- the Council was keeping track of all referrals made under the Housing & Homelessness Advice service contract; and
- a lot of detail went into the officer reports presented to Executive and to Council last year which members may wish to refer back to;
- there was no mechanism for ECC to make any objective judgement about what may or may not happen in terms of overall impact caused by any future reductions in Citizens Advice Exeter services; and
- ECC had been unable to identify any discernible impact on Council services from earlier reductions in Citizens Advice Exeter service levels.

The Chair invited Members to formulate any recommendations they may wish to put forward.

Councillor Moore remarked that information and guidance were becoming segmented and proposed the following recommendations:

- 1. To recommend that the Executive consider an annual grant to support the general work of Citizens Advice Exeter, based on the report presented to the Executive in January 2024;**
- 2. To recommend that the Executive consider working with the voluntary community sector to develop an information and guidance strategy to reduce inequality and poverty in Exeter.**

The Strategic Director – Corporate Resources & S151 Officer explained that, if such a recommendation was put forward, its authors would need to identify how it would be funded.

Councillor Vizard, invited to speak by the Chair, made the following remarks:-

- the Executive would consider everything put in front of them;
- it was important to bear in mind the limited funding available; and
- by singling out Citizens Advice Exeter for exceptional treatment over other VCSE organisations, Members would be setting a precedent and expectations that the council could not meet should other organisations then come and ask the council for the same treatment.

Councillor Pole proposed an amendment to Councillor Moore's recommendation. However, the Chair deemed it to be a wrecking amendment and consequently dismissed it.

During discussion on Councillor Moore's proposal, particular reference was made to:-

the statutory duty of a Council to offer support to people in a vulnerable position;

the need for Members to identify a budget line if they wished Citizens Advice Exeter funding to be re-examined.

Councillor Moore explained that her proposal was linked to the report from January 2024 Executive, which referred to reputational risk to the Council. The Strategic Director – People and Communities clarified that:-

- the point in her report Cllr Moore was referring to was in the "What are the risks?" section and did not constitute a recommendation to either Executive or Council; and
- the report submitted to Executive in January 2024 had formed the basis of the Executive decision.

Councillor Moore remarked that the risk in question had now happened and felt that the decision should be reconsidered.

The recommendation was proposed by Councillor Moore, seconded by Councillor Read, put to the vote, and DEFEATED.

Councillor Patrick proposed the following recommendation:-

To recommend that the Executive revisit options for Citizens Advice Exeter to reduce their premises expenses with Exeter City Council.

She also clarified that it did not necessarily mean the Civic Centre, reminding Members that ECC owned various premises. During debate on this recommendation, the following comments were made:-

- the Exeter City Council Chief Executive remarked that every offer of accommodation made to Citizens Advice Exeter so far had been turned down;
- on the same point, Councillor Wardle asked what had made Citizens Advice Exeter change their mind;
- the Citizens Advice Exeter Chief Executive Officer explained that the costs of moving premises had always been an obstacle, but that they now found themselves in a situation where something had to be done;
- the Citizens Advice Exeter CEO explained the shared leadership arrangements with Citizens Advice Torbay (namely Torbay paying for half of the costs), clarifying that the two entities were separate charities and she happened to be the CEO of both;
- responding to a question from Councillor Miller-Boam, the Strategic Director – People and Communities explained that all business cases were considered and that, while she could not comment on cost specifically, there was a willingness to continue to work with Citizens Advice Exeter to help them find a solution; and
- Councillor Fullam said he understood the issue of the stigma attached to walking into Council premises but welcomed the fact that both parties were working in the same direction and expressed gratitude to the Leader of the Council for attending the discussion.

Councillor Parkhouse proposed from the Chair that the Committee vote on the recommendation. This was agreed unanimously and, consequently, the recommendation was moved by Councillor Patrick, seconded by Councillor Harding, voted upon, and CARRIED.

A further two proposals were made by Members; however, both were dismissed by the Chair for being too similar to an earlier unsuccessful proposal.

The Chair gave Councillor M Mitchell the opportunity to offer his closing comments, which were as follows:-

- a step forward had been made as a result of the discussion;
- all parties had to be mindful of the fact that ECC may vacate the Civic Centre in two years' time;
- the present meeting was a good example of the power of scrutiny.

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REPORT TO EXECUTIVE

Date of Meeting: 14 January 2025

Report of: Strategic Director Operations

Title: Fleet Procurement of Waterways Operations Barge

Is this a Key Decision?

No

Is this an Executive or Council Function?

Executive

1. What is the report about?

1.1 Exeter City Council are the Statutory Harbour Authority for the port of Exeter and Exeter City Council's Executive is the Duty Holder responsible for ensuring that the organisation complies with Harbour regulation and the Department for Transport's Port Marine Safety Code (PMSC).

1.2 The Duty Holder has specific duties, and these include the duty for:

- Dangerous vessels and dangerous substances (including pollution) which must be effectively managed.
- Provision of a pilotage service if required in the interests of safety.
- Harbour authority duties as local lighthouse authorities: provision and proper maintenance of aids to navigation as necessary.

1.3 Being compliant requires taking necessary steps to ensure the port is adequately equipped to carry out these functions.

1.4 Currently the operation of marine activities in accordance with PMSC is carried out 'in house' by the Harbour Master requiring a workboat. This workboat is leased however the owner/ operator wishes to sell the boat and has given the Council first refusal on its purchase. This report provides consideration and appraisal of a purchase arrangement to support ongoing operations and duty compliance.

2. Recommendation

2.1 That Executive approve procurement of a vessel for the purposes set out in this report subject to securing a suitable market valuation and competitive market value.

3. Reasons for the recommendation:

3.1 The reasons for the recommendation are:

- A vessel is necessary to meet Port Authority statutory duties.
- This vessel is compliant and suitable to meet duty requirements.
- This purchase, after pending evaluation, would ensure competitive market value against national markets.

- There are currently no alternative compliant vessels on the market locally available for lease under suitable conditions.

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

4.1 Maintenance, fuel, licencing, and insurance premiums all fall outside the scope of the current lease arrangement and are carried by the Council Harbour budgets. Those costs are expected to remain the same irrespective of whether the boat is leased or owned.

4.2 If retaining an 'in-house' operation there are only three alternative delivery options. The annual spend anticipated for these alternative delivery options are:

Account description	Anticipated Costs (Lease) 2024/25	Costs Anticipated (Owned)	Leased with Skipper
Boat Maintenance/ Licencing	£1,630.00	£1,630.00	£0.00
Motor Fuel	£5,000.00	£5,000.00	£0.00
Insurance Premiums	£12,000.00	£12,000.00	£0.00
Fleet- Hire Costs	£24,000.00	£0.00	C.£100,000
Total	£42,630.00	£18,630.00	£100,000

4.3 The local purchase offer is currently £165,000. Considering the reduction in annual hire costs, purchasing at this price would be expected to return on investment within seven years maximum, after which the boat would retain good resale value.

4.4 A surveyor valuation on the local boat is pending. This is expected to identify that worst case, the boat is market value, best case it is valued too high for the market and a lower purchase cost could be negotiated. A lower negotiated market value would enable a shorter return window on the investment.

£165,000	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7
Current hire cost	24,000	24,000	24,000	24,000	24,000	24,000	24,000
Investment return	141,000	117,000	93,000	69,000	45,000	21,000	-3,000

4.5 The return on investment at £165,000 would be:

4.6 The recommendation is fully funded with £165,000 capital request approved in the Q2 financial report.

5. Section 151 Officer comments:

5.1 The funding for this boat has already been approved. There are therefore no additional financial implications to be considered.

6. What are the legal aspects?

6.1 The duties of a Statutory Harbour Authority encompass a range of responsibilities aimed at ensuring the safe and efficient management of harbours. These duties are primarily derived from local legislation tailored to the specific requirements of each harbour, as well as general statutory provisions.

6.2 When procuring goods, works or services the Council must comply with the Public Contracts Regulations 2015 and the Council's internal Procurement and Contract Procedures.

7. Monitoring Officer's comments:

7.1 Members will note the content of this report. The Monitoring Officer has no additional comments.

8. Report details:

8.1 The report detail discusses three delivery options:

Option 1. local lease skippered and unskippered,

Option 2. boat purchase, and;

	Meets statutory minimum	Provide ancillary harbour operations	Locally available	Supports wider canal service and income	Will Create Additional revenue strain
Option 1. a) Lease	✓	✓	✗	✓	✗
b) Skippered lease	✗	✗	✓	✗	✓
Option 2. Boat purchase	✓	✓	✓	✓	✗

Option 1. Lease

8.2 Option 1. Lease is not considered to provide a viable alternative. There are no unskippered leases available locally and a skippered lease is both cost prohibitive and unable to sustain statutory harbour duties.

8.3 When evaluating local options, the local area considered was Brixham to Weymouth, encompassing eleven Harbour Masters Association identified harbours and ports, and a number of additional private harbours, within 100 miles of coastline.



8.4 The boat required for use across Exeter Harbour waters must be Coded under the Maritime and Coastguard Agency licencing scheme for passage across those waters. It also requires lifting capabilities. These two factors extremely limit the market of suitable alternative boats locally.

8.5 To confirm the available local market the Harbour Master identified boats with suitable capabilities and coding through boat licencing and registry database. Having identified local vessels of suitable capabilities and coding, owners/ operators were directly approached for sale and/ or lease interest.

8.6 No operators/owners of compliant and capable vessels were able to offer a replacement unskipped lease.

8.7 Operator/ owners offering lease could only supply a boat with skipper. A captained lease is considered cost prohibitive with leases offered at c.£100,000 per annum based on current boat use, or between £1600 - £3000 a day plus mobilisation costs.

8.8 In addition to the cost associated with a skipped lease, the providers could not offer permanent standby arrangements and required pre booked hours of operation. The Harbour Authority has a duty response time of one hour for marine pollution events, and a six-hour notification and ASAP response window for navigation aid failure and on-water emergencies. Locally available lease options could not provide emergency response cover within necessary timeframes. As a result, this function would subsequently need to be outsourced at additional cost to the skipped lease.

8.9 The vessel also currently supports mooring repair income at c.£35,000 per annum. This income is not a supplementary income; however, it supports resourcing the wider harbour functions. A skipped lease would not continue to support the service operation through income generation.

8.10 As a result of income loss and higher running costs, harbour and canal operations would need to be significantly reduced to operate a skipped lease, making it a poor value-for-money option.

Option 2. Boat Purchase

8.11 The purchase of a boat is the recommended option as it provides full statutory service provision, enables ancillary harbour functions such as mooring management, on water enforcement, and salvage contributing to the safe management of the harbour day-to-day. It is also locally available and provides a route to income, supporting shared resources across canals and waterways functions.

8.12 Through a direct approach with operators/ owners it was identified that there is currently only one boat with required capabilities on the market for sale within the local area.

8.13 A market evaluation of the current boat offer is pending Executives approval to pursue a purchasing arrangement. The valuation is expected to identify whether the current offer equals market value. If a market value cannot be agreed then, options to procure a boat nationally will need to be investigated.

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

9.1 The purchase of the boat offers best value as the procurement ensures economic, efficient, effective, and compliant service outcomes, delivering the best balance between service cost and quality available.

9.2 In achieving best value, the purchase ensures the Port Authority is contributing towards a well-run council, providing a value-for-money service within a balanced budget.

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

10.1 If the market evaluation identifies a lower market value, and a sale price cannot be agreed with a local vendor, then the only remaining option is to look nationally. This may prevent the Harbour team from sourcing a suitable alternative boat before they lose use of the current lease. In this case, to mitigate the risk of non-compliance, the harbour master will need to spot-contract essential works to existing approved suppliers.

11. Equality Act 2010 (The Act)

11.1 Under the Act's Public Sector Equalities Duty, decision makers are required to consider the need to:

- eliminate discrimination, harassment, victimisation, and any other prohibited conduct.
- advance equality by encouraging participation, removing disadvantage, taking account of disabilities and meeting people's needs; and
- foster good relations between people by tackling prejudice and promoting understanding.

11.2 In order to comply with the general duty authorities must assess the impact on equality of decisions, policies, and practices. These duties do not prevent the authority from reducing services where necessary, but they offer a way of developing proposals that consider the impacts on all members of the community.

11.3 In making decisions the authority must consider the potential impact of that decision in relation to age, disability, race/ethnicity (includes Gypsies and Travellers), sex and gender, gender identity, religion and belief, sexual orientation, pregnant women and new and breastfeeding mothers, marriage, and civil partnership status in coming to a decision.

11.4 In recommending this proposal no potential impact has been identified on people with protected characteristics as determined by the Act because the recommendations are limited to the procurement of Compliance based goods only. This bears no relevance to protected characteristics and is a service based on legal duty.

12. Carbon Footprint (Environmental) Implications:

12.1 The boat under offer is already in use on behalf of the Port Authority, and therefore there are no additional Carbon Footprint implications related to the purchase and use of it.

12.2 It is anticipated that the boat will be sold prior to end of life, so there are no carbon implications associated with end-of-life disposal at this stage.

12.3 There are existing carbon implications in the use of a diesel boat. There are however no suitable alternatives to a diesel boat on the market at this current time to reduce that footprint.

13. Are there any other options?

13.1 To be compliant with its harbour duties and Merchant Shipping Act 1995, the Harbour authority must be able to maintain its aids to navigation and emergent response functions. To deliver this function in house, the Port Authority must have a compliant boat and lease is not an option. As a result, there is no alternative to the current recommendation for an inhouse operation.

13.2 Outsourcing of the statutory provision has not been considered by this report. This is because a comprehensive evaluation of the cost-efficacy of the service needs to be carried and this will wait till implementation of the HRO when there is a fuller picture of service cost and income.

Strategic Director Operations, Adrian Pengelly

Author: Cat Chambers, Head of Operations

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

Background papers used in compiling this report: -

None

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REPORT TO EXECUTIVE

Date of Meeting: 14 January 2025

REPORT TO COUNCIL

Date of Meeting: 18 February 2025

Report of: Strategic Director for Corporate Resources

Title: 2025/26 Budget Strategy and Medium Term Financial Plan

Is this a Key Decision?

No

Is this an Executive or Council Function?

Council

1. What is the report about?

1.1 To provide a strategic overview of the budgetary position for the 2025/26 financial year and beyond including an indication of the likely level of available resources and the known demand for resources and the proposals to ensure that a balanced budget is achieved.

2. Recommendations:

2.1 That Executive recommends that Council notes the contents of the report and approves the proposals set out in this report to establish a balanced revenue budget and capital programme.

3. Reasons for the recommendation:

3.1 The Council is required to set a balanced budget and Council Tax prior to the start of the financial year.

4. What are the resource implications including non financial resources

4.1 The Council has a medium-term financial plan that contains proposals to ensure it can set a balanced budget next year. In line with the planned use of reserves, proposals for reductions / additional income total £2.3 million in order to balance the budget. This is in addition to changes made in respect of the assumed pay award for next year and the Government decision to retain Business Rates pools.

4.2 Across the four years of the medium-term financial plan, further proposals have been identified totalling £1.287 million, which will still leave a further £3.785 million to be identified over the following three years. The majority of this reduction is as a result of the Government promising to reset the Business Rates in 2026/27. Transitional arrangements may affect the timing of the reductions required but until further information is released the reductions have been placed in 2026/27.

5. Section 151 Officer comments:

5.1 The settlement has confirmed the Government's announcement in the published Local Government Finance Policy that no Council will receive less than last year. As with previous years, the Council has had to rely on the funding floor grant to bring the funding up to the minimum level awarded to each Council. This is a clear indication that the Council does not score well against the formula used to allocate Government funding even after the small changes made by the new Government.

5.2 The challenges faced by the Council remain significant over the medium term. To ensure that the Council is on a firm financial footing in the future a mix of additional income, cost reductions and prioritisation is required. In addition to the reductions required, there is a need to ensure sufficient funding is available to maintain our extensive property portfolio.

5.3 The Government have confirmed that the reform of Local Government Finance will take place in time for the 2026-27 financial settlement and this includes a business rates reset. This will have a significant detrimental impact on the Council's finances and has been built into the MTFP. If there are no transitional arrangements, similar reductions will be required next year.

5.4 The medium-term financial plan and the reductions profile is based on bringing our reserves down to the minimum recommended level. Therefore, financial discipline is vital to maintain our financial position and ensure that Council is not required to make in year reductions. Council will need to be ready to act quickly to ensure that minimum levels of reserves are maintained in the case of any unexpected pressures.

6. What are the legal aspects?

6.1 The Council is required to set a balanced budget prior to the commencement of each financial year. Section 25 of the Local Government Act 2003 requires the Council's chief finance officer to report on the robustness of the estimates made for the purposes of calculation of the council tax requirements and the adequacy of its proposed financial reserves.

It is the responsibility of the full Council to approve the budget and the related council tax demand.

As part of the budget and the Council Tax setting process, the Council is required by the Local Government Finance Act 1992 to make various specific calculations and decisions:

- (a) it must calculate its budget requirement in accordance with Section 31A of the Act;
- (b) it must calculate the City Council element of the Council Tax - first for Band D and then for all bands - in accordance with Sections 31B and 34 to 36 of the Act;
- (c) it must set the overall Council Tax for each band in accordance with Section 30.

7. Monitoring Officer's comments:

7.1 Section 25 of the Local Government Act 2003 requires the Section 151 officer to report on the adequacy of the Council's financial resources.

The Monitoring Officer's comments are intended to assist all members of the Council in consideration of the complex legal background to their budgetary and Council Tax decisions and to set out the legal factors which members of the City Council need to consider in reaching decisions on the budget and Council Tax.

In coming to a decision in relation to the revenue budget and the council tax, the City Council and Councillors have the following legal duties:

- a) To act in accordance with their statutory duties and responsibilities;
- b) To act reasonably; and
- c) To have careful regard to their fiduciary duty to its rate payers and Council taxpayers.

The City Council has a clear legal duty to set a balanced budget. A resolution not to set a Council tax would be unlawful so would a resolution to set a Council tax which deliberately did not balance the budget.

When deciding, councillors are reminded of their obligation to act reasonably and in accordance with the principles set down in the *Wednesbury case (Associated Provincial Picture Houses Ltd v Wednesbury Corporation [1948])*. This means that councillors are required to consider and take into account all relevant considerations and ignore any irrelevant considerations. Put simply, it would be unlawful for the Council to come to a view which is unreasonable in the sense that it is so irrational that no reasonable authority could have reached it.

The meaning of fiduciary duty is more difficult to define but can be summarised as a duty to conduct administration in a business-like manner with reasonable care, skill and caution and with due regard to the council's rate payers. When discharging their fiduciary duty, councillors will need to consider the following:

- a) Prudent use of the council's resources, including the raising of income and the control of expenditure;
- b) Financial prudence both long and short term;
- c) Striking a fair balance between the interest of the council taxpayers on the one hand and the community interest and adequate and efficient services on the other hand; and
- d) Acting in good faith with a view to complying with statutory duties and exercising its statutory powers for the benefit of the community.

Restriction on voting

Members' attention is drawn to the provisions of S.106 of the Local Government Finance Act 1992 which applies to members where:

- a) they are present at a meeting of full Council, the Executive or Committee and at the time of the meeting an amount of Council tax has remained unpaid for at least 2 months and
- b) Any budget or Council tax calculation, recommendation, or decision which might affect the making of any such calculation, is the subject of consideration at the meeting.

In these circumstances, any such members shall at the meeting and as soon as practicable after its commencement disclose the fact that S.106 applies to them and shall not vote on any question concerning budget setting.

Failure to comply with these requirements is a criminal offence unless such member can prove that they did not know S.106 applied to them at the time of the meeting or that the matter in question was the subject of consideration at that meeting.

8. Report details:

8.1 Local Government Provisional Finance Settlement 2025-26

8.1.1 1 year Settlement

In terms of the settlement, the figures announced were for one year only. The underlying principle is that each Council will receive at least the same as last year and again Exeter has received the Funding Floor Grant totalling £0.290 million to ensure we reach the minimum allowed. In addition, the Council also received Recovery Grant of £0.271 million.

8.1.2 New Homes Bonus

The payment provided this year is for one year only and gives an award of approximately £0.872 million for 2025/26.

8.1.3 National Insurance Increases

The Government committed to fully funding directly employed Local Government staff in respect of the national insurance increases. The figure will not be known until the final settlement, but the methodology has been released. Early projections are that Exeter will receive around £138,000 against an actual increase of £669,000 for the General Fund and £91,000 for the HRA. This is woefully inadequate and we will respond to the consultation highlighting this.

8.2 Business Rates

8.2.1 The Government have confirmed that the implementation of the Business Rates retention reform and the review of the formula that underpins it will not take time for the 2025-26 Settlement. However they have committed to resetting the Business Rates. The review is now expected to be implemented in 2026/27 and will have a significant, detrimental impact on the Council's finances as we are significantly above the business rates baseline.

8.3 Council Tax

8.3.1 The referendum threshold has remained this year at the higher of a less than 3% or £5 increase for District Councils. This is in line with the medium term financial plan. As a result, Exeter's budget strategy for next year assumes that council tax will increase by 2.99%, which, along with the estimated surplus on the collection fund of £103,692 and increase in the taxbase will raise an extra £337,218.

8.4 Other Budgetary Assumptions

8.4.1 An overall allowance of £0.662m has been set aside for inflation. The inflationary increases allowed in the budget are:

Pay Award	3.0%
Pay – Increments	0.5%
Electricity	0.0%
Gas	0.0%
Water	0.0%
Insurance	10.0% - 15.0%
Rates	2.5%
Motor Fuel	3.0%
General Inflation	0.0%
Income (excluding Car Parks)	3.0%

8.4.2 General inflation has again been held at zero; however where there are contracts in place, inflation at around RPI has been added. Pay has been reduced to 3% although there is a risk that this again may be lower than the actual amount agreed.

8.4.3 Interest is based on the existing loans that have been taken out and the amounts available for investment. Future borrowing requirements are based on rates of around 3.5% and the Council will seek to internally finance borrowing until rates stabilise from the present highs of around 5.86%.

8.5 Likely Revenue Resources 2024/25 to 2028/29

8.5.1 The main resources are set out below. The reduction in 2026/27 is uncertain and reflects the fact that the Business Rates will be reset. Any transitional arrangement will reduce the reduction and spread it over future years. In addition, the Government are introducing the Extended Producer Responsibility, which will provide further income to the Council. The Government have guaranteed £1.410 million in the first year, part of which will be required to fund the shortfall in the National Insurance compensation and the rest has been placed in an earmarked reserve. Given the scale of reductions in 2026/27 Members should be cautious in allocating these funds until the reductions required for 2026/27 are identified.

	2024/25 £'000	2025/26 £'000	2026/27 £'000	2027/28 £'000	2028/29 £'000
RSG*	1,939	1,210	1,652	1,685	1,719
Council Tax	7,170	7,507	7,701	8,010	8,332
Business Rates	8,775	9,554	5,841	5,940	6,048
Resources	17,884	18,271	15,194	15,635	16,098
Increase/(decrease)		387	(3,077)	441	463
Annual % change		2.2%	(16.8%)	2.9%	3.0%

* Including other Government grant where applicable

8.6 Additional Spending Pressures

8.6.1 Additional Spending Pressures over the period are set out in Appendix 1 and total:

	2024/25 £'000	2025/26 £'000	2026/27 £'000	2027/28 £'000	2028/29 £'000
Additional Pressures	1,816	516	210	85	85

8.7 Revenue Savings and Other Budgetary Reductions

8.7.1 The updated Medium Term Financial Plan (MTFP) is set out in Appendix 2. The MTFP has a funding gap of £5.1 million of which proposals of £1.3 million have been identified. This leaves a further £3.8 million to be identified if Members agree the proposals in place. The proposals identified for 2025-26 will ensure a balanced budget can be presented.

The reductions / additional income proposals identified are set out below:-

	2024/25 £'000	2025/26 £'000	2026/27 £'000	2027/28 £'000	2028/29 £'000
Savings proposals identified	(1,402)	(2,300)	(887)	(400)	0
Further savings required			(2,900)	(500)	(385)

8.8 General Fund Capital Programme

8.8.1 At this stage there are no additional requests for Capital Expenditure. As Members are aware, the higher interest rates mean that any further borrowing would require additional reductions, which on top of those set out above, risks the Council having insufficient funds to run its Services.

8.9 Risk Assessment

8.9.1 It has already been mentioned above in this report that our financial forecasts are based on a number of assumptions including the level of inflation, interest rates, income levels, support from the government and general prevailing economic conditions. The main risks to the Council's financial position are as follows:

- The level of Central Government support over the medium term;
- The Governments review of the future funding formula for Local Government, including a business rates rest, coupled with the potential loss of New Homes Bonus, would leave a significant gap in funding over the Medium Term Financial Plan. There is a risk that this would add up to a further £3 million gap in funding; and
- The Council is reliant on a strong economy for much of its funding. Business Rates Growth, Car Park income and Commercial Property income provide support, not just for our discretionary services, but increasingly support our statutory services and corporate costs. Changes in work patterns are already impacting car park income and contributing to the financial challenges.

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

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

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

9.1 This is the strategic overview of the financial position of the Council.

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

10.1 The risks relate to failing to set a balanced Council budget and are mitigated by regular reporting to the Strategic Management Board and Members.

11. Equality Act 2010 (The Act)

11.1 Under the Act's Public Sector Equalities Duty, decision makers are required to consider the need to:

- eliminate discrimination, harassment, victimisation and any other prohibited conduct;
- advance equality by encouraging participation, removing disadvantage, taking account of disabilities and meeting people's needs; and
- foster good relations between people by tackling prejudice and promoting understanding.

11.2 In order to comply with the general duty authorities must assess the impact on equality of decisions, policies and practices. These duties do not prevent the authority from reducing services where necessary, but they offer a way of developing proposals that consider the impacts on all members of the community.

11.3 In making decisions the authority must take into account the potential impact of that decision in relation to age, disability, race/ethnicity (includes Gypsies and Travellers), sex and gender, gender identity, religion and belief, sexual orientation, pregnant women and new and breastfeeding mothers, marriage and civil partnership status in coming to a decision.

11.4 In recommending this proposal no potential impact has been identified on people with protected characteristics as determined by the Act because the report sets out the MTFP for the whole Council.

12. Carbon Footprint (Environmental) Implications:

12.1 There are no direct carbon/environmental impacts arising from the recommendations.

13. Are there any other options?

13.1 Not applicable.

Strategic Director for Corporate Resources, Dave Hodgson

Author: Strategic Director for Corporate Resources, Dave Hodgson

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

Background papers used in compiling this report:-

None

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	2025/26 £000's	2026/27 £000's	2027/28 £000's	2027/28 £000's
<u>Unavoidable or Already Committed from Previous Years</u>				
Fleet maintenance				
Living Wage	25	25	25	25
Housing Benefit Admin grant reduction	60	60	60	60
Pension Revaluation	36			
External valuations		(90)		
Business Rates revaluation	50	215		
	171	210	85	85
<u>New Revenue Bids - Recurring</u>				
PT Payroll Post	18			
Comms Post	58			
Communities posts - remove CIL funding	81			
PT Property Lawyer	38			
Insurance over inflation	70			
CCTV Maintenance	80			
	345	0	0	0
<u>New Revenue Bids - Non Recurring</u>				
	0	0	0	0
<u>Revenue Costs Arising from New Capital Bids</u>				
Unsupported Borrowing Costs of Capital - Repayment of Loan	0	0	0	0
TOTAL	516	210	85	85

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MEDIUM TERM REVENUE PLAN (2024/25 - 2028/29)

	2024/25 £'000	2025/26 £'000	2026/27 £'000	2027/28 £'000	2028/29 £'000	
Resources						
Revenue Support Grant	1,939	1,210	1,652	1,685	1,719	
Business Rates Income	8,775	9,554	5,841	5,940	6,048	
CIL income	907	793	793	793	793	
New Homes Bonus	486	872	0	0	0	
EPR	0	1,410	1,250	1,250	1,250	
Council Tax	7,170	7,507	7,701	8,010	8,332	
Likely resources	19,277	21,346	17,237	17,678	18,141	
Expenditure						
Service expenditure						
Committee expenditure	23,498	18,114	16,685	13,665	13,552	
Net Interest	1,386	1,475	1,557	1,591	1,591	
Repayment of debt	1,905	2,527	2,629	2,456	2,521	
RCCO	198	0	0	0	0	
	26,987	22,116	20,871	17,712	17,664	
Other funding						
Contribution to/ (from) earmarked reserves	(5,661)	1,779	384	765	765	
Contribution to/ (from) balances - Other	(2,049)	(249)	(231)	101	97	
	(7,710)	1,530	153	866	862	
Further reductions required		0	(2,900)	(500)	(385)	(3,785)
Potential reductions identified		(2,300)	(887)	(400)	0	(1,287)
Total Net Budget	19,277	21,346	17,237	17,678	18,141	

(5,072)

Opening General Fund Balance	5,882	3,833	3,584	3,353	3,454
Closing General Fund Balance	3,833	3,584	3,353	3,454	3,551
Balance as a percentage of budget	19.9%	16.8%	19.5%	19.5%	19.6%

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REPORT TO EXECUTIVE

Date of Meeting: 14 January 2024

Report of: Strategic Director for Corporate Resources

Title: Council Taxbase and NNDR 1 2025/26

Is this a Key Decision?

No

Is this an Executive or Council Function?

Executive

1. What is the report about?

1.1 To set the 2025/26 Council Tax base in accordance with the Local Authorities (Calculation of Council Tax Base) (England) Regulations 2012.

2.2 To seek approval that the Council's estimate of Business Rate Income (NNDR1) for the next financial year is delegated to the Strategic Director for Corporate Resources and Section 151 Officer.

2. Recommendations:

2.1 In accordance with the Local Authorities (Calculation of Council Tax Base) (England) Regulations 2012, the amount calculated by Exeter City Council as its tax base for the year 2025/26 shall be £39,852.

2.2 That the Collection Fund Surplus of £1,305,121 be approved.

2.3 That the Section 151 Officer is delegated responsibility to approve the Council's NNDR1 return by 31 January 2025.

3. Reasons for the recommendation:

3.1 To ensure that the Council meets its statutory deadline for notifying Precepting Authorities and the Government by 31 January 2025.

4. What are the resource implications including non financial resources

4.1 Both the Council Tax base and the NNDR1 provide key information used to calculate the overall resources available to the Council, Government and Preceptors in the following financial year.

5. Section 151 Officer comments:

5.1 Approval of the report is a statutory requirement in respect of the Taxbase. There is an increase of 807 Band D equivalent properties compared to the 2024/25 Taxbase. The increase of 2.07% is above the anticipated forecast and reflects the increased premium being charged on second homes.

6. What are the legal aspects?

6.1 The requirement to set the Council Tax base is set out in the Local Authorities (Calculation of Council Tax Base) (England) Regulations 2012.

6.2 In coming to decisions in relation to the revenue budget and the Council Tax the City Council and Councillors have the following legal duties, namely:-

- a) the Council must act in accordance with its statutory duties and responsibilities;
- b) the Council must act reasonably in its decision-making process; and
- c) the Council must not act in breach of its fiduciary duty to its ratepayers and Council Tax payers.

6.3 Section 106 of the Local Government Finance Act 1992 imposes restrictions on the voting rights of members present at a meeting of the Council, Executive or a Committee and at the time of the meeting they have an outstanding sum payable under the Council Tax provisions that has remained unpaid for at least two months. The provisions of section 106 prohibit these members from voting on any matter concerning the administration or enforcement of Council Tax. In these circumstances, any such members shall at the meeting and as soon as practicable after its commencement disclose the fact that section 106 applies to them and shall not vote on any question concerning the matter. It should be noted that these members are not debarred from speaking on the matter. Failure to comply with the provisions of section 106 is a criminal offence.

6.4 With regard to business rate income, billing authorities are required to estimate the amount of non-domestic rates that will be collected. By the end of January each year, the billing authority is required to revise its estimate of the rates income that will accrue for the year and to submit these to MHCLG.

6.5 The calculations and requirements for these estimates are set out in the Non-Domestic Rating (Rates Retention) Regulations 2013. The regulations provide the detailed framework for how the estimates should be calculated and reported in order to ensure that the process is consistent and transparent across all billing authorities.

7. Monitoring Officer's comments:

7.1 Members will particularly note the provisions of section 106 of the Local Government Finance Act 1992 as set out in the legal aspects above.

8. Report details:

8.1 BACKGROUND

8.1.1 In accordance with the requirements of the Local Government Finance Act, 1992, Exeter City Council as a billing authority will be issuing Council Tax bills to occupiers of property in March 2025, effective from 1 April 2025.

8.1.2 As a first step to calculating the Council Tax itself, the City Council is required by legislation to determine a tax base by the 31 January for the following financial year.

8.1.3 Based on a valuation list received from the Valuation Officer, the calculation, in simple terms, involves three steps, namely :

- I. the determination of the number of chargeable dwellings;
- II. an assessment of disregards, premiums, and discounts, and
- III. the equivalent number of band D properties and a collection rate.

8.1.4 The calculation of the Taxbase includes the impact of the Council Tax Support Scheme, which significantly reduces the Council's income from Council Tax.

8.2 COUNCIL TAX BASE FOR 2025/26

8.2.1 The Council Tax Base for Exeter is set out in table 8.1 and in Appendix A. It is estimated that the equivalent number of Band D properties (Gross taxbase) for 2025/26 (including the reduction in dwellings owing to the Council Tax Support Scheme) will be 40,874 an increase of 828 over 2024/25.

8.2.2 This estimated collection rate of 97.5% for the year is applied to the Gross Taxbase, which results in a net Council Tax base of 39,852, an increase of 807 over the 2024/25 figure of 39,045.

Table 8.1 – Taxbase 2025/26

Taxbase	2025/26 Gross Taxbase	2025/26 Net Taxbase (97.5%)
Taxbase to be used in calculating the council tax for 2025/26	40,874	39,852

8.2.3 The Collection Fund Surplus to be declared is £1,305,121 and will be split as follows:

	2024-25 TAX	2025-26 SHARE
EXETER CITY COUNCIL	£180.37	£103,692.47
DEVON FIRE & RESCUE SERVICE	£99.68	£57,304.79
DEVON COUNTY COUNCIL	£1,715.67	£986,317.30
DEVON AND CORNWALL POLICE	£274.50	£157,806.63
	£2,270.22	£1,305,121

8.3 BUSINESS RATES RETENTION

8.3.1 Under the Business Rates Retention funding, the Council has to provide MHCLG with an estimate of its Business Rate Income for the forthcoming year. However, due to the changes in the funding and the local/central share, MHCLG require the estimate (completed on a NNDR1 form) to be compiled and formally submitted by January 31st. The Council must also share this information with Devon County Council and Devon and Somerset Fire and Rescue Service who are also affected.

8.3.2 MHCLG have stated that, in their view, the decision to approve the NNDR1 can be delegated to the section 151 Officer and this report seeks approval for such delegation as

the figures have not yet been calculated (The Council requires an annual software update in order to calculate the NNDR1 form).

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

9.1 The approval of the Taxbase enables the Council to calculate the budget available for the following financial year.

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

10.1 Not applicable.

11. Equality Act 2010 (The Act)

11.1 Under the Act's Public Sector Equalities Duty, decision makers are required to consider the need to:

- eliminate discrimination, harassment, victimisation, and any other prohibited conduct;
- advance equality by encouraging participation, removing disadvantage, taking account of disabilities and meeting people's needs; and
- foster good relations between people by tackling prejudice and promoting understanding.

11.2 In order to comply with the general duty authorities must assess the impact on equality of decisions, policies, and practices. These duties do not prevent the authority from reducing services where necessary, but they offer a way of developing proposals that consider the impacts on all members of the community.

11.3 In making decisions the authority must take into account the potential impact of that decision in relation to age, disability, race/ethnicity (includes Gypsies and Travellers), sex and gender, gender identity, religion and belief, sexual orientation, pregnant women and new and breastfeeding mothers, marriage, and civil partnership status in coming to a decision.

11.4 In recommending this proposal no potential impact has been identified on people with protected characteristics as determined by the Act because the report determines the taxbase for the whole City.

12. Carbon Footprint (Environmental) Implications:

12.1 None.

13. Are there any other options?

13.1 Not applicable.

Strategic Director for Corporate Resources, Dave Hodgson

Author: Strategic Director for Corporate Resources, Dave Hodgson

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

Background papers used in compiling this report:-

None

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EXETER CITY COUNCIL
2025/26 TAX BASE

	BAND	TOTAL	A relief	A	B	C	D	E	F	G	H
LINE 1	No. OF CHARGEABLE DWELLINGS	53,555	20	9,703	14,501	13,350	8,666	4,190	2,114	980	31
LINE 2	No. OF DISCOUNTS	-9,687	-10	-3,509	-3,045	-1,822	-817	-293	-137	-51	-3
LINE 3	No OF ADDITIONS (TECHNICAL CHANGES)	566	0	126	145	131	86	34	22	21	1
LINE 4	WHOLE No. EQUIVALENT CHARGEABLE DWELLINGS	44,434	10	6,320	11,601	11,659	7,935	3,931	1,999	950	29
LINE 5	FRACTION TO APPLY TO ARRIVE AT BAND D EQUIVALENTS		5/9 ths	6/9 ths	7/9 ths	8/9 ths	1	11/9 ths	13/9 ths	15/9 ths	18/9 ths
LINE 6	BAND D EQUIVALENTS (PER CTB1)	40,874	6	4,213	9,023	10,364	7,935	4,805	2,887	1,583	58
	TOTAL BAND D EQUIVALENTS	40,874									
LINE 7	COLLECTION RATE	97.50%									
LINE 8	EXETER CITY COUNCIL TAX BASE	39,852									

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REPORT TO EXECUTIVE

Date of Meeting: 14 January 2025

Report of: Strategic Director – Corporate Resources & s151 Officer

Title: Housing Rents and Service Charges 2025-26

Is this a Key Decision?

No

Is this an Executive or Council Function?

Executive

1. What is the report about?

1.1 This report sets out the proposed changes to council dwelling rents, garage rents and service charges with effect from 1 April 2025.

2. Recommendations:

That Executive approves:

- (1) Rents of Council dwellings are increased by 2.7% from 1 April 2025;
- (2) Garage rents are increased by 2.7% from 1 April 2025; and
- (3) Service Charges are increased by 2.7% from 1 April 2025

3. Reasons for the recommendation:

3.1 In October 2017, the government announced its intention to set a long-term rent policy in respect of annual rent increases on both social rent and affordable rent properties of up to CPI plus 1% from 2020, for a period of 5 years.

The policy on rents for social housing came into effect from 1 April 2020. The CPI figure for September 2024 was 1.7%, so under this policy the Council is permitted to apply a rent increase of 2.7% for 2025/26.

Rents of garages and service charges fall outside the scope of the Government's rent policy. Authorities are expected to set reasonable and transparent charges which reflect the service being provided to tenants.

There is an appreciation of the costs of living crisis on tenants of ECC. However, in addition to this we need to consider:

- Tenants benefited from 1% rent cuts per year between 2016/17 and 2019/20, which resulted in the HRA losing £7.9m over the 4-year period, so our base-line rents are already lower than previously anticipated over a 30-year business plan.
- A lower than permitted increase would place a financial constraint on the HRA and result in a lower base-line position for future year rents.
- For the 2023/24 rent increase the government capped rent increases at 7% where the actual CPI + 1% would have resulted in an increase of 11.1%. This resulted in a

reduction in rental income of approximately £2.5m over 3 years whilst the costs of materials and labour continued to increase at inflationary levels.

- Tenants on low income will have their rents met by Housing Benefit (HB full or partial) or Universal Credit (UC), so it will save the Government money as opposed to the tenant (22% full HB and 10% partial HB).
- Costs of services and labour are increasing above inflation and a reduced rent increase would lead to a reduction of service delivery.

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

4.1 The proposed changes in housing rents, garage rents and service charges are reflected in the proposed 2025/26 estimates for the Housing Revenue Account (HRA).

The current rent policy was intended to apply for five years from 2020, in order to allow landlords to plan ahead. The medium-term financial plans for the Council's HRA therefore reflect assumptions for the annual uplift of property rents by CPI + 1%.

5. Section 151 Officer comments:

5.1 CPI had a one-month blip, which coincided with the month upon which rents for the following year are set. This means that the proposed rent is slightly lower than that anticipated in the MTFP (3% increase). This will have a cumulative impact for future years, resulting in less funding being available for repairs and maintenance and to finance capital projects. This is being built into the updated MTFP, which will be considered by Council alongside the budget in February 2025.

6. What are the legal aspects?

6.1 The government issued a policy statement on rents for social housing which was effective from 1 April 2020 and has since been updated. The policy requires the Regulator of Social Housing to have regard to the policy statement when setting its rent standard for registered providers of social housing. The term 'registered providers' includes both private registered providers of social housing (including housing associations) and local authorities. Subject to a number of limited exemptions, the government policy applies to 'low-cost rental' accommodation. This is defined in section 69 of the Housing and Regeneration Act 2008.

Section 69 states that accommodation is low-cost rental accommodation if:-

- (a) it is made available for rent;
- (b) the rent is below the market rate, and
- (c) the accommodation is made available in accordance with rules designed to ensure that it is made available to people whose needs are not adequately served by the commercial housing market.

The policy statement sets a formula for the calculation of rents for properties let at a 'social rent' with the aim of ensuring that similar rents are charged for similar social rent properties. The policy also limits the maximum annual charges in social rent and affordable rent levels. From April 2016, the Welfare Reform and Work Act 2016 required social landlords to reduce their rents by 1% each year for four years (this was known as the 'social rent reduction').

The changes introduced by the policy statement from April 2020 onwards reflect the government's intention to set what it describes as a 'long term rent deal for both local authority landlords and housing associations. The policy permits annual rent increases on both social rent and affordable rent properties as set out in this report.

7. Monitoring Officer's comments:

7.1 Members will note the legal aspects set out in the legal aspects at paragraph 6 and the limitations imposed upon increases in rent as set out in this report below.

8. Report details:

8.1 Rent Setting Background

The underlying rent for each council property is based upon a national rent formula.

The rent formula was established to ensure that social rents take account of:

- The condition and location of a property – reflected in its value;
 - Local earnings; and
 - Property size (specifically, the number of bedrooms in a property)
- The rent formula for each council dwelling is set, based upon January 1999 levels, and uplifted for inflation each year.

On 4 October 2017, DLUHC announced that increases to social housing rents will be limited to the Consumer Price Index (CPI) plus 1% for 5 years from 2020.

8.2 Social Rent Increases for 2024/25

In accordance with the social rent policy which came into effect from 1 April 2020, rents will be increased by CPI + 1% (CPI is the official method of calculating inflation in the UK). For 2025/26 this will result in an average increase of £2.51 per week, over 52 weeks, per property.

Rents are collected over 48 weeks, resulting in an average increase of £2.72 per collection week for 2025/26.

On a typical 2-bedroom flat the weekly rent for 2025/26 will be £95.49 (over 52 weeks). For comparative purposes, the average weekly rents for a 2-bedroom property in Exeter as at 31st March 2024 were:

- £101.59 per week with a housing association; and
- £235.15 per week rented in the private sector.

8.3 Rent arrears impact

From 1st April to 14th October 2024 the rent arrears have increased from 2.32% (£484,393) to 2.83% (£702,792). We should see an expected reduction in the overall arrears figure over the Christmas rent free period, and likewise at the end of the current financial year. We will work with tenants giving them the opportunity to ensure their rent accounts do not go into arrears by offering support and advice.

Factors that will have an impact on rent collection for next financial year are likely to include:

- Universal Credit (UC)

The migration of customers over to UC continues. Since April 2024 we have had 250 new UC cases. Migrations means we cease to receive direct Housing Benefit payments. This does impact collection because, as we have previously mentioned, HB payments are a reliable source of income as they are always paid directly into the customer's rent account.

This is not the case with UC payments which are initially paid directly to the customer, who are expected to use the money to pay their rent. However, due to pressures on household incomes the rent element is not always used in this way.

It is possible under certain criteria to apply for direct payments from the Department of Works and Pensions (DWP). We are also able to apply for deductions from a person's UC to reduce their rent arrears. However, deductions are only agreed by the DWP if the amount of arrears exceeds 8 weeks, and there are no other deductions in place already.

It remains the case that the Housing Rent Team must work with its tenants to ensure they understand the importance of paying their rent. This kind of intervention is time consuming and very labour intensive.

- Cost of Living / Energy

The pressures on household budgets remain real for many of our tenants and such pressures inevitably lead to rent arrears building. Increases in energy prices is just one example of the financial squeeze our tenants face. The increase in energy prices has coincided with the loss of the winter fuel allowance and with winter now on us this will put strain on the ability of our elderly residents to pay.

To reduce the potential impact of this change we have started an initiative to identify those pensioners who should be in receipt of Pension Credit and help them to claim. Pension Credit is a qualifying benefit for the winter fuel allowance so it is important we ensure those tenants who are eligible are in receipt. In addition to this, we are still working with tenants to see if we can support them with projects such as the retrofit programme which reduces energy bills.

New guidance was issued by DLUHC in November 2020 that set out arrangements for local authorities to apply to the Secretary of State for agreement to depart from the Government Rent Policy if it would cause the authority 'unavoidable and serious financial difficulty'.

In considering whether the application of the Government Rent Policy would cause unavoidable and serious financial difficulty, the Secretary of State will expect to be provided with evidence that:

- the local authority's Housing Revenue Account (HRA) is at risk of a deficit in either the current or subsequent financial year;

- complying with the requirements set out in the Rent Standard would jeopardise the local authority's ability to meet legal requirements/ obligations, including ensuring the health and safety of its residents; and
- all possible steps have been taken to avoid the need for an application to the Secretary of State, including reviewing services and commitments and taking action to minimise costs and curtailing non-essential commitments.

It is not considered that there are grounds to depart from the Government's Rent Policy.

8.4 Affordable Rents for Newly Built Council Housing

Affordable rent allows local authorities to set rents at levels that are typically higher than social rents, at up to 80% of local market rent inclusive of service charges. The intention behind this is to maximise returns and generate capacity for further investment in new affordable housing, allowing more people in housing need to have access to a good quality home at sub-market rent. Affordable rent is charged on new properties built to Passivhaus standard, with the expectation that tenants would benefit from lower fuel bills.

For Exeter, this includes properties the Council has built at Knights Place, Rowan House, Silverberry Close, Barberry Close, Reed Walk and Chester Long Court, Antony Road, Bovemoors and Thornpark Rise. Affordable rents may also be increased by 2.7% in line with social rent rises.

8.5 Garage Rent Increase

Rentals of non-dwellings, such as garages, are outside the scope of the Government's social rent policy. However annual increases to garage rents are generally kept in-line with rises in social rents.

Under self-financing local authorities are encouraged to review the rents of non-dwellings in order to ensure associated costs are fully recovered. Allowing for inflationary rises for employee costs and for general repair costs, a rise in line with rent charges is considered appropriate.

A 2.7% increase in garage rents and parking spaces is therefore proposed, in line with the permitted rises in social and affordable rents at CPI + 1%.

8.6 Service Charge Increase

These charges cover services and facilities provided by the authority to tenants which are not covered by their rent. Service charges reflect additional services which may not be provided to every tenant, or which may be connected with communal facilities. Different tenants receive different types of service reflecting their housing circumstances.

Service charges are limited to covering the cost of providing the services. Government guidelines advised that authorities should endeavour to keep increases in-line with rent changes, at CPI + 1%, to help keep charges affordable. Increases above this may be made on rare occasions when an authority has increases in costs outside its control, such as increases in fuel costs.

It is proposed that in general service charges are increased by 2.7%, in line with rent rises.

However, review of utilities costs at Edwards Court Extra care facility has identified that actual personal and communal energy costs are generally higher than originally anticipated, and an increase of 2.7% would not be sufficient to recover costs. Electricity has been considerably higher, gas has been higher in the individual flats but communal use has been lower, and water has been lower than expected.

The proposed charges below would be phased in increases where costs are higher than reflected in the service charge and there are likely to be further above CPI increases in future years. However, service charges are reduced in full where appropriate to pass on savings to tenants.

Service Charge	2024/25 weekly charge	Proposed 2025/26 charge
Communal Electric	£2.07	£3.50
Personal Electric	£2.02	£4.50
Communal Gas	£2.07	£1.62
Personal Gas	£2.02	£3.75
Communal Water	£2.12	£0.24
Personal Water	£2.31	£1.24
	£12.61	£14.85

Edwards Court wellbeing charges are set by the supplier and are outside of ECC's control, and catering charges are determined by the level of housing benefit central government cap which has yet to be set.

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

9.1 The Housing Revenue Account contributes to the strategic priority of 'Housing and building great neighbourhoods and communities', as set out in the Corporate Plan 2022-2026.

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

10.1 The main risk to council dwelling rents relates to the cost-of-living crisis and its impact on tenants' ability to pay.

The level of rent arrears is kept under review by the Housing Rents Team and currently compares favourably with other social landlords.

A provision has been made in 2025/26 for a similar arrears level to 2024/25. This assumes no recovery from current level of arrears during the next financial year.

11. Equality Act 2010 (The Act)

11.1 Under the Act's Public Sector Equalities Duty, decision makers are required to consider the need to:

- eliminate discrimination, harassment, victimisation, and any other prohibited conduct;
- advance equality by encouraging participation, removing disadvantage, taking account of disabilities and meeting people's needs; and

- foster good relations between people by tackling prejudice and promoting understanding.

11.2 In order to comply with the general duty authorities must assess the impact on equality of decisions, policies, and practices. These duties do not prevent the authority from reducing services where necessary, but they offer a way of developing proposals that consider the impacts on all members of the community.

11.3 In making decisions the authority must take into account the potential impact of that decision in relation to age, disability, race/ethnicity (includes Gypsies and Travellers), sex and gender, gender identity, religion and belief, sexual orientation, pregnant women and new and breastfeeding mothers, marriage, and civil partnership status in coming to a decision.

11.4 In recommending this proposal potential impact has been identified on people with protected characteristics as determined by the Act and an Equalities Impact Assessment has been included in the background papers for Member's attention.

12. Carbon Footprint (Environmental) Implications:

12.1 No direct carbon/environmental impacts arising from the recommendations.

13. Are there any other options?

13.1 From 1 April 2020, social landlords may not increase rents by more than CPI + 1% in any year. This limit is a ceiling and landlords are able to apply a lower increase. However, any rent increases at less than 2.7% would have a significant impact on the HRA's financial position and resources available to invest in its stock.

Strategic Director Corporate Resources, David Hodgson

Author: Claire Hodgson, Finance Manager – Corporate

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

Background papers used in compiling this report:-

None

Contact for enquires:
Democratic Services (Committees)
Room 4.36
01392 265275

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Equality Impact Assessment: *Housing Rents and Service Charges 2025/26*

The Equality Act 2010 includes a general duty which requires public authorities, in the exercise of their functions, to have due regard to the need to:

- **Eliminate discrimination**, harassment and victimisation and any other conduct that is prohibited by or under the Act.
- **Advance equality of opportunity** between people who share a relevant protected characteristic and people who do not share it.
- **Foster good relations** between people who share a relevant protected characteristic and those who do not

In order to comply with the general duty authorities must assess the impact on equality of decisions, policies and practices. These duties do not prevent the authority from reducing services where necessary, but they offer a way of developing proposals that consider the impacts on all members of the community.

Authorities which fail to carry out equality impact assessments risk making poor and unfair decisions which may discriminate against particular groups and worsen inequality.

Committee name and date:	Report Title	Decisions being recommended:	People with protected characteristics potentially impacted by the decisions to be made:
Executive Committee 10 th January 2023	Housing Rents and Service Charges 2025-26	That Executive recommend that Council approves: • Rents of Council dwellings are increased	See below

		by 2.7% from 1 April 2025 - Garage rents are increased by 2.7% from 1 April 2025 - Service Charges are increased by 2.7%, from 1 April 2025	
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Factors to consider in the assessment: For each of the groups below, an assessment has been made on whether the proposed decision will have a **positive, negative or neutral impact**. This is must be noted in the table below alongside brief details of why this conclusion has been reached and notes of any mitigation proposed. Where the impact is negative, a **high, medium or low assessment** is given. The assessment rates the impact of the policy based on the current situation (i.e. disregarding any actions planned to be carried out in future).

High impact – a significant potential impact, risk of exposure, history of complaints, no mitigating measures in place etc.

Medium impact – some potential impact exists, some mitigating measures are in place, poor evidence

Low impact – almost no relevancy to the process, e.g. an area that is very much legislation led and where the Council has very little discretion

Protected characteristic/ area of interest	Positive or Negative Impact	High, Medium or Low Impact	Reason
Race and ethnicity (including Gypsies and Travellers; migrant workers; asylum seekers).	Neutral		Increasing rent and service charges by the amounts specified will have a neutral effect on protected groups.

			In October 2017, the Government announced its intention to set a long term rent policy in respect of annual rent increases on both social rent and affordable rent properties of up to CPI plus 1% from 2020, for a period of 5 years. This policy came into effect from 1 April 2020. The MHCLG is currently consulting on an extension to this policy which will take us up to 31st March 2031. The CPI figure for September 2024 was 1.7%, so under this policy the Council is permitted to apply a rent increase of 2.7% for 2025/26. Rents of garages and service charges fall outside the scope of the Government's rent policy. Authorities are expected to set reasonable and transparent charges which reflect the service being provided to tenants. There is an appreciation of the costs of living crisis on tenants of ECC. However, in addition to this we need to consider that tenants benefited from 1% rent cuts per year between 2016/17 and 2019/20, which resulted in the HRA losing £7.9m over the 4 year period, so our base-line rents are already lower than previously anticipated over a 30 year business plan. A lower than permitted increase would place a financial constraint on the HRA and result in a lower base-line position for future year rents. In 2023/24 rent increase the government capped rent increases at 7% where the actual CPI + 1% would have resulted in an increase of 11.1%. This resulted in reduction in rental income of approximately £2.5m over 3 years whilst the costs of materials and labour continued to increase at inflationary levels. The 2024/25 rent increase figure was 7.7%. Tenants on low income will have their rents met by Housing Benefit (HB full or partial) or Universal Credit (UC), so it will save the
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			Government money as opposed to the tenant (23% full HB, 12% partial HB and 20% in receipt of UC). Officers continue to work to assist households in financial difficulty where possible, including the administering of Government funds to support those households in need.
Disability: as defined by the Equality Act – a person has a disability if they have a physical or mental impairment that has a substantial and long-term adverse impact on their ability to carry out normal day-to-day activities.	Neutral		See box 1 above
Sex/Gender	Neutral		See box 1 above
Gender reassignment	Neutral		See box 1 above
Religion and belief (includes no belief, some philosophical beliefs such as Buddhism and sects within religions).	Neutral		See box 1 above
Sexual orientation (including heterosexual, lesbian, gay, bisexual).	Neutral		See box 1 above
Age (children and young people aged 0-24; adults aged 25-50; younger older people aged 51-75/80; older people 81+; frail older people; people living with age related conditions. The age categories are for illustration only as overriding consideration should be given to needs).	Neutral		See box 1 above
Pregnancy and maternity including new and breast feeding mothers	Neutral		See box 1 above

Marriage and civil partnership status	Neutral		See box1 above
<u>Actions identified that will mitigate any negative impacts and/or promote inclusion</u>			

Officer: Sarah Hemming
Date: 4th December 2024

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REPORT TO EXECUTIVE

Date of Meeting: 14 January 2025

REPORT TO COUNCIL

Date of Meeting: 25 February 2025

Report of: Strategic Director for Corporate Services

Title: Review and update of Exeter City Council's Companies, Alternative Delivery Models and Charities.

Is this a Key Decision?

No

Is this an Executive or Council Function?

Executive and Council

1. What is the report about?

This report provides Members with the following:

1.1 An update on companies, alternative delivery models and charities connected with or controlled by Exeter City Council so that Members are aware of their activities and financial performance;

1.2 Recommendations on changes to the structure of the Exeter City Group of companies. This report follows on from the Council's resolution on 17 October 2023 to reduce the operations of Exeter City Living Limited. The recommendations below authorise the shareholder representative to change the Articles of Association of both Exeter City Group Limited (ECG) and Exeter City Living Limited (ECL);

1.3 Recommendations concerning Exeter Business Centre Limited; and

1.4 Recommendations to ensure a more robust governance model is adopted in respect of the entities connected with or controlled by Exeter City Council

2. Recommendations:

Exeter City Group Limited

That Executive recommends that Council resolves to approve:

2.1 To delegate authority to the Chief Executive as shareholder representative to issue and sign the written special resolutions attached at Appendix 1 in order to amend the Articles of Association of ECG and ECL to:

2.1.1 Reduce the objectives of both companies to holding and managing property;

2.1.2 Operate with a minimum of one Director;

2.1.3 To delegate authority to the Chief Executive as shareholder representative to make any further amendments to the constitutional documents of ECG and ECL

- and where appropriate any subsidiaries of ECG to reduce the company structure to a single company;
- 2.1.4 To delegate authority to the Chief Executive as shareholder representative to wind-up and dissolve the dormant subsidiaries of ECG namely Exeter City Homes Limited and Exeter City Living Property Limited and, at a later date ECG, itself;
 - 2.1.5 To approve the Business Plan for 2025-26;
 - 2.1.6 To delegate authority to the Strategic Director for Corporate Resources to annually agree the management fee percentage with the Director of ECL to ensure that the Company remains solvent but does not generate profits.

Exeter Business Centre Limited

That Executive recommends that Council resolves to approve:

- 2.2 The initiation of a review of Exeter Business Centre to consider whether it is still meeting the objectives set for it when originally established;
- 2.3 To approve a budget of up to £10,000 to conduct the review funded from the General Fund Balance.

All Companies

That Executive approves the following:

- 2.4 That authority to appoint Directors and Client Leads (where appropriate) be delegated to the Chief Executive;
- 2.5 That authority to appoint Shareholder Representatives be delegated to the Chief Executive in consultation with the Leader of the Council;
- 2.6 That a report be provided to Council and Executive in six months' time to update Councillors on the performance of each Company.

3. Reasons for the recommendation:

3.1 With regard to the Exeter City Group Limited group of companies, to enable the Council to continue with the process of reducing the operations of ECL in accordance with the resolution of Council of 17 October 2023 and also to reduce the remit of ECG and ECL by authorising amendments to the Articles of Association of the companies.

3.2 Exeter Business Centre Limited (EBC) is no longer trading in line with its original purpose. The Companies and organisations occupying the space are not necessarily start-up businesses and EBC has limited financial ability to manage and maintain the premises appropriately. A review of the Company is appropriate given that the lease on the building occupied by EBC ends in 2026.

3.3 Delegating authority to the Chief Executive will ensure, where appropriate, that all the companies referred to in this report and the Council have the appropriate representation. This is intended to strengthen the governance arrangements.

4. What are the resource implications including non financial resources

4.1 With regard to the Exeter City Group of companies, the revised objects clause of the Articles of Association of the companies will have no impact on Council resources. In reducing the number of Directors of the Exeter City Group of companies from three to one, this will have no impact given the reduction of operations of the companies and will reduce the costs to the Council of running the companies as remuneration to Directors will be reduced.

4.2 With regard to Exeter Business Centre Limited, the request for an additional budget of £10,000 is to initiate a review of its activities and whether it is still meeting its original objectives.

4.3 With regard to the proposals to appoint Directors, Client Leads and Shareholder Representatives, this will not have any immediate financial implications, although consideration will need to be given in due course as to whether Officers appointed to Director roles should receive additional remuneration for doing so. From a non-financial perspective, the appointments will place greater responsibilities on those Officers appointed to Director posts.

5. Section 151 Officer comments:

5.1 The report sets out the latest position regarding each of the Council's Companies and enables the Council to finalise the scaling back of ECL. Given that most of the subsidiaries and associate Companies have undertaken a review in the past two years, it is appropriate to carry out a review of Exeter Business Centre, given that the lease of the building ends in 2026.

6. What are the legal aspects?

6.1 Exeter City Group Limited and Exeter City Living Limited

Both Companies are governed by separate Articles of Association and a Management Agreement dated 18th December 2018 between by the Council, ECG and ECL.

The Articles of Association set out the objects i.e. the powers to act of the Companies and state a minimum of three Directors are required to make decisions.

The Management Agreement provides that the Council is the sole shareholder of ECG and ECG is the sole shareholder of ECL and states:

- At Clause 5, ECG expressly consents to decisions which it would ordinarily make in respect of ECL as its shareholder being made by the Council and the Council's Representative; and
- At Schedule 3 para 1.12 amendments to the Articles (constitutional documents) are reserved matters for Full Council.

The powers of the council's representative also known as the Council's shareholder representative are delegated to the Council's Chief Executive under part 3d of the Council's constitution.

Articles of Association of a company can only be amended by special resolution in accordance with section 21 of the Company's Act 2006 ('the Act'). A special resolution requires at least 75% of eligible shareholders to vote in favour of the proposal. As sole shareholder the Council can pass a special resolution. A General Meeting of the company is not required where a special resolution is properly moved as a written resolution. Under section 297 of the Act a proposed written resolution lapses if not passed within 28 days of the circulation date.

Once a written resolution is made the companies must send a copy of the resolution and the amended Articles of Association to Companies House within 15 days of the amendment taking effect (date of the written resolution).

The Management Agreement provides that the appointment and removal of directors is a reserved matter for the Council's shareholder representative.

The companies must comply with the filing requirements at Companies House once any changes are made.

Additionally, the other companies in the Group, Exeter City Homes Limited and Exeter City Living Property Limited are dormant and performing no activities and have not done so since their incorporation in 2018. Accordingly, they can be dissolved.

6.2 Exeter Business Centre Limited

Members will note the comments below under 'report details' concerning the activities of ECB and the proposal that its activities be reviewed in light of changing market conditions.

6.3 Other Entities:

Members will note the comments below under 'report details' concerning the activities of other entities in which Exeter City Council has an interest and will note the recommendations to put more formal governance arrangements in place where required.

7. Monitoring Officer's comments:

7.1 The Council's external auditors, Grant Thornton, have advised that the Council should review the alternative delivery models with which it is involved, and then to assess where it is appropriate to continue with the arrangements in place. This report sets out the alternative delivery models with which it is involved with proposals in relation to a number of those organisations.

In accordance with Grant Thornton's recommendations the proposals in this report are to review the various models and to review the appointment Directors, Client leads and shareholder representatives where appropriate in order to strengthen the governance arrangements of the alternative delivery models. This will enable a more focussed approach to the governance of the alternative delivery models and for the Council to agree the objectives and benefits expected through partnership working which can be monitored by Officers and Members.

8. Report details:

8.1 Exeter City Council Companies and Charities:

8.1.1 ECC has a range of interests in a number of Companies (and a Charity) for a range of purposes. This report provides information to Members concerning those entities connected to Exeter City Council and the role of the Council within those organisations.

8.1.2 Attached at Appendix 2 of this report is a list of the Companies and a Charity in which ECC has an interest, along with details as to who fills the key roles in respect of interactions with the various entities with. Appendix 3 provides the financial information in respect of each of the entities. Set out below is a short summary of each organisation and the issues identified.

- **Strata Service Solutions Limited (Incorporated 15 May 2014)**

Strata is the Council's ICT Company and is owned in equal shares with East Devon District Council and Teignbridge District Council. Strata has been successful in delivering the savings it was required to achieve in its early period of existence and has continued to adapt with the aim of delivering the services each Council wants.

The Council has appointed individuals to each of the three key roles. The appointed Director is the Strategic Director for People and Communities, and the Client Lead is the Head of Service Digital and Data. The Leader of the Council is a member of the Strata Joint Executive Committee (Shareholder Representative), supported by the Chief Executive. The Strata Joint Executive Committee meets on a regular basis and the minutes of the meetings of the Joint Executive Committee are published and are put before full Council. The Strata Business Plan 2024/25 was put before the Joint Executive Committee at its meeting held on 30 January 2024 and approved.

- **Exeter Science Park Limited (ESPL) (Incorporated 24 February 2009)**

ESPL is a company in joint ownership between Exeter City Council, Devon County Council, the University of Exeter, and East Devon District Council. There are different shareholdings amongst the four owners.

ESPL is one of the most commercially driven Companies in which the Council has an interest, but under the agreement the Council is unable to take dividends from any profits.

ESPL has grown to a level where it can break even and has a reasonably healthy balance sheet, but its owners are not in a position to take it further without external support.

ESPL was the subject of a report to Extraordinary Council and considered on 28 May 2024. Members approved proposals to convert the Council's outstanding loan to equity in the science park. As part of the agreement to convert the loan to equity, the other shareholders in ESPL were required to do the same.

The reason for the recommendation was to '...put ESPL in a position where it can attract investment to continue to develop the science Park in line with the objectives set by the owners...to provide clarity to Council of the decision-making process that the Council will

follow...' and '[t]o enable the Company to have a clear direction for future development of the science park.' Delegated authority was also granted to the section 151 Officer '...to support the implementation of the recommendations as set out in the recent review undertaken by Deloitte:

- (a) To develop a clear marketing and business development strategy;
- (b) To deliver a sustainable operating and funding model via cost reduction and a restructuring of the debt;
- (c) To improve the governance by reviewing the Further Agreement and Reserved Matters; and
- (d) To secure an updated Local Development Order and start the process to bring in either a private sector investor or private sector developer to support delivery of the remainder of the Science park

Although Council has delegated authority to the Shareholder Representative to vote on matters arising at shareholder meetings where there is no financial implication for the Council, matters are reserved in relation to:

- (a) Decisions which have an impact on the financial position of the Council;
- (b) Amendments to the Further Agreement and/or Reserved Matters;
- (c) Approval of a Business Plan for the Science Park; and
- (d) A decision to change the strategic direction of the Science Park.

Members will note that the Council has appointed a shareholder representative with Officer support, and a Director. The Council does not intend to appoint a client lead on the basis that it does not take services from the Company.

- **Exeter City Group Limited (Incorporated 7 June 2018) and Exeter City Living Limited (Incorporated 12 June 2018)**

The activities of Exeter City Group limited (ECG) and, primarily, its subsidiary, Exeter City Living Limited (ECL), were substantially reduced following the report to Council in October 2023 following a review carried out by Local Partnerships LLP commissioned by the Council's Chief Executive. The original purpose of ECL was, as the Council's wholly owned company, to deliver housing. At full Council on 17 October 2023, Members approved the winding-down of the activities of ECL and that it continue for the limited purpose of holding and managing property.

At present the companies have one Executive Director, a Council Officer, and two non-executive Directors. These Directors are independent and not Officers or Members of the Council.

The activities of Exeter City Living Limited have been scaled back to the limited role of holding and managing property. It now holds and manages the six flats at the Guildhall Shopping Centre. Given that the activities of ECG and ECL have substantially reduced, the number of Directors can be reduced from three to one. The objectives of the Company will also be amended in to properly reflect its considerably reduced remit.

Members will note the recommendations concerning ECG and ECL and the additional information set out in 8.2.

The Chief Executive is presently the shareholder representative. This will be reviewed in line with the recommendation to delegate authority to the Chief Executive to appoint a Member as Shareholder Representative and given the reduced remit and activities of the Companies.

- **Exeter City Homes Limited and Exeter City Living Property Limited (Both incorporated 12 June 2018)**

These companies are the two other subsidiaries of Exeter City Group Limited. Both companies are dormant, perform no activities, and have not done so since they were incorporated in 2018. They should be wound-up and dissolved.

Members will note the recommendations concerning ECG and ECL and the additional information set out in 8.2.

- **South West Audit Partnership Limited (SWAP) (Incorporated 14 September 2012)**

Members will recall that full Council approved joining the South West Audit Partnership on 6 February 2024 and this was effective from 1 April 2024. Exeter City Council has a share of the ownership of the Company along with 23 other Councils, Police forces, Police & Crime Commissioners and Fire and Rescue Services. There is a Board of Directors. Exeter City Council does not have a Director on the board of SWAP and there is no requirement to do so.

The Chair of Audit & Governance has been appointed as the Shareholder Representative of the Council (in line with many other owners) and the Strategic Director for Corporate Services supports him. The Head of Finance acts as the Council's client lead.

- **Exeter Business Centre Limited (EBC) (Incorporated 5 March 1986)**

EBC is based in a warehouse on the Marsh Barton Industrial Estate that the Company leases from a third party. The original intention of the company is to provide office space and workshops to 'start ups' on short-term leases to allow Companies that don't succeed to exit without significant leasehold obligations.

Despite the original intention, there are now a range of organisations being run out of the Centre on a longer-term basis. It is also the case that there are now more businesses that specialise in providing office accommodation on a short-term basis, and arguably the original purpose of EBC is not as exclusive as it once was.

The Company is small with a turnover in the region of £250,000 and has reserves of approximately £88,000 for the financial year 2022-2023. Unfortunately, EBC has made a small loss of the last couple of years and importantly, the Council has a responsibility to bail it out financially if its reserves were to go negative.

Commercial Assets and Finance provide services to EBC and this is regarded as onerous and time consuming. Finance is paid £3,000 and Commercial Assets £10,000 per annum for the services they provide to the Company. This does not consistently cover costs as the management of finances and tenants (For example, preparing separate VAT claims,

chasing bills, and managing new and existing tenants is not cost effective for the Council). Other areas also provide Services to the Company free of charge (HR and Democratic Services) .

Members will note the additional information set out in 8.3.

- **DextCo Limited (Incorporated 1 December 2016)**

Dextco limited is a District heating Company which was set up with partners in the City (Devon County Council, Royal Devon University Healthcare NHS Foundation Trust as well as Teignbridge District Council) with the intention of delivering a City Centre district heat network and an additional district heat network in the West Exe part of the City. The proposals did not go ahead and there are no current projects being progressed by the company. The company is not presently undertaking any projects and the future of Dextco needs to be reviewed with the other shareholders.

The Council has appointed a Council Officer as a Director, A shareholder representative needs to be appointed. There is no present requirement for a client lead as the Council does not receive services from the company.

- **Monkerton Heat Company Limited (Incorporated 3 November 2015)**

Monkerton Heat Company was set up with each Developer at Monkerton in relation to the District Heat Network which was installed by various developers with Eon as condition of section 106 agreements for construction of residential developments at Monkerton. The Company exists for the sole purpose holding the Head Lease with Eon for the pipework comprising the district heat network. As each developer completes their involvement in their scheme, they will resign as Directors and relinquish their shareholdings, and ultimately ECC will be the sole owner. Although it is an active company, it does not trade.

The Council has appointed a Council Officer as Director. A shareholder representative needs to be appointed. There is no requirement for a client lead as the Council does not receive services from the Company.

- **Exeter Canal and Quay Trust Limited (Incorporated 17 December 1981)**

Exeter Canal and Quay Trust Limited is a charity which was set up in December 1981 to manage and improve a range of properties primarily at the Quay. The properties are owned by Exeter City Council and let to ECQT primarily on long leases with decades to run. In some instances, the freehold interests have been transferred to ECQT.

Its board of Trustee Directors comprises eight Members of Exeter City Council and four non-Councillor Directors. It is a condition set out in the Articles of the Company that it should be structured in this way. The objectives of the Trust have changed over the years since incorporation and now, in addition to maintaining and letting properties, it also has a focus on improving and enhancing the quay experience, including providing financial support for events at the quay.

Whilst historically it was very conservative with its funds it has spent more funds in recent years. Whilst this is not a company, the Council does have significant interest in the

Charity and it is therefore proposed that this also forms part of the future performance reporting framework.

8.2 Exeter City Group of Companies: Exeter City Group Limited, Exeter City Living Limited, Exeter City Homes Limited, and Exeter City Living Property Limited

- 8.2.1 The Council resolved on 17th October 2023 to reduce the operations of ECL and in March 2024 completed the transfer of assets from ECL to the Council.
- 8.2.2 Following the asset transfer the companies moved from 5 to 3 Directors and officers have been tasked with taking steps to reduce the minimum number of Directors from 3 to 1 together with reducing the Companies objects to holding and managing property.
- 8.2.3 The Council resolution of 17th October 2023 did not grant authority for ECG's remit/objects to be amended. Nor was authority granted to amend both companies' Articles of Association to reflect the reduced operations and amend the minimum number of Directors.
- 8.2.4 The proposed resolution will enable the Council's shareholder representative carry out these steps and then changes to the Management Agreement can be progressed.
- 8.2.5 Discussions with the current Non-Executive Directors have been held to ensure they are aware of the pending written special resolution and its effect.
- 8.2.6 Council still has to approve a Business Plan under the existing agreement and therefore a business plan, focussed on the reduced activity is attached at Appendix 4.
- 8.2.7 As costs will vary from year to year, it is important that the Council ensures that the ECL remains solvent but does not make excessive profit. The entire income comes from the management agreement for the six flats and is income that would otherwise be limited in its use as Guildhall Shopping Centre income. To meet the objective, it is recommended that delegated authority is granted to the Strategic Director for Corporate Resources to ensure these objectives are met. The actual percentage agreed will be reported to Council each year in the Companies report.

8.3 Exeter Business Centre Limited (EBC)

- 8.3.1 EBC was incorporated in 1986, the Memorandum of Association is attached at Appendix 5. Its primary object was to provide on licence or on lease industrial and commercial workspaces of any kind including small workshops, studios, offices, yards or other premises or land to **new** sole traders, infant businesses, and small firms whether corporate or incorporate.
- 8.3.2 Their latest accounts now state the principal activity is letting industrial units for small enterprises.

- 8.3.3 As a Company there is a fiduciary duty on the Directors to ensure that the Company is financially viable and therefore the Centre has to ensure occupancy remains high. This does not translate into ensuring the businesses are new as per the original object.
- 8.3.4 The latest accounts show a Balance Sheet that is very close to becoming negative. As a Company limited by guarantee, it will fall on the Owner, ECC, to ensure that the Company is financially viable and capable of trading.
- 8.3.5 The Council has not had to inject funds into the Company since the early 2000's, but it is a possibility in the near future.
- 8.3.6 EBC leases the property from a third party. It is not owned by the City Council or the Company. The property lease has a 6-month break clause and is due for renewal in 2026. The Company is supported by the Commercial Assets team in terms of running the business and the Finance team in terms of the financial support to the Business. The Company pay a small amount for this support, but it is unlikely that this covers the costs of the support provided. In addition, there is some other support provided by Council Services for which the Council receives no payment.
- 8.3.7 There are currently 42 businesses occupying the Business Centre and 10 vacant units. Many do not meet the original criteria of new businesses and therefore the Company is no longer meeting its primary objective.
- 8.3.8 The Company is likely to require some financial support from the Council in the future unless the financial position significantly improves.
- 8.3.9 It is proposed therefore to undertake a review of the Company (similar to that of ECL but on a smaller scale) to make a recommendation about the future of the Company.

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

9.1 The recommendation in this report supports the Council's Corporate Priorities of Leading a Well-Run Council – Well Managed Assets: In reviewing the activities of the companies and the proposals to reduce or cease certain activities, the Council is taking a proactive approach to managing those alternative business structures where it has an interest.

9.2 It also supports the Corporate Priority of a Balanced budget by reviewing the activities of companies and by making recommendations to reduce financial exposure and company activities where that is seen to be necessary.

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

10.1 The Companies may fall into administration if they are unable to meet their financial liabilities placing considerable pressure on Directors.

11. Equality Act 2010 (The Act)

11.1 Under the Act's Public Sector Equalities Duty, decision makers are required to consider the need to:

- eliminate discrimination, harassment, victimisation, and any other prohibited conduct;
- advance equality by encouraging participation, removing disadvantage, taking account of disabilities and meeting people's needs; and

- foster good relations between people by tackling prejudice and promoting understanding.

11.2 In order to comply with the general duty authorities must assess the impact on equality of decisions, policies, and practices. These duties do not prevent the authority from reducing services where necessary, but they offer a way of developing proposals that consider the impacts on all members of the community.

11.3 In making decisions the authority must take into account the potential impact of that decision in relation to age, disability, race/ethnicity (includes Gypsies and Travellers), sex and gender, gender identity, religion and belief, sexual orientation, pregnant women and new and breastfeeding mothers, marriage, and civil partnership status in coming to a decision.

11.4 In recommending this proposal no potential impact has been identified on people with protected characteristics as determined by the Act because the report's recommendations address Companies not individuals. Members will note the attached Equality Impact Assessment.

12. Carbon Footprint (Environmental) Implications:

12.1 There are no direct carbon/environmental impacts arising from the recommendations.

13. Are there any other options?

13.1 The Purpose of the recommendation in this report is to put robust arrangements in place to ensure that continuing with the entities is appropriate and provides best value for money. This will support the Council in agreeing the objectives and benefits which will be expected from those organisations. The proposed arrangements and action points in this report are intended to result in more effective performance monitoring of those entities. Members will be able to undertake financial and performance monitoring through these measures.

Director Strategic Director Corporate Resources

Author: Dave Hodgson (Strategic Director Corporate Resources) and Simon Copper (Head of Legal and Democratic Services)

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

Background papers used in compiling this report:-

See the appendices to the report.

Contact for enquires:
Democratic Services (Committees)
Room 4.36
01392 265275

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Appendix 1

Draft Written Resolutions for Exeter City Group Limited and Exeter City Living Limited

COMPANY NUMBER: 11404047

THE COMPANIES ACT 2006

PRIVATE COMPANY LIMITED BY SHARES

Written resolution OF

EXETER CITY GROUP LIMITED

(the Company)

CIRCULATED ON [insert circulation date]

Pursuant to Chapter 2 of Part 13 of the Companies Act 2006, the directors of the Company propose that the following resolution be passed as a special resolution

SPECIAL RESOLUTION

THAT the articles of association of the Company be amended as follows:

1. Clause 3.1 be amended by the removal of clause 3.1.1 and the addition of new clause 3.1.1 below.

'oversee the performance of the Company's subsidiary companies and hold and manage property assets and then the subsequent sale and/or ongoing management of those assets; and'

2. Clause 10.3 of the articles of association be amended to read 'There shall be a minimum of one (1) Director on the Board and, unless the Shareholder otherwise agrees a maximum number of three (3) directors'
3. Clause 13.1 of the articles of association be amended to read 'The quorum at a Directors' meeting shall be one (1) Director appointed at the time of the relevant Directors' meeting. Article 11(2) of the Model Articles shall not apply.

Please read the explanatory notes at the end of this document before signifying your agreement to the resolutions.

The undersigned, the Sole Shareholder entitled to vote on the Resolution Circulation Date hereby irrevocably agree to the resolution.

Signed	Date
for and on behalf of Exeter City Council	

EXPLANATORY NOTES FOR SHAREHOLDER

- 1 If you agree to the resolution, please signify your agreement by signing and dating this document where indicated above and returning it to the Company by E-MAIL by attaching a scanned copy of the signed document to an e-mail and sending it to Suzanne.edwards@exeter.gov.uk.
- 2 If you do not agree to the above resolution, you do not need to do anything.
- 3 Once you have signified your agreement to the resolution, you may not revoke your agreement.
- 4 Unless, within 28 days of the circulation date, sufficient agreement has been received for the resolution to be passed, it will lapse. If you agree to the resolution, please ensure that signification of your agreement reaches us before or on this date

COMPANY NUMBER: 11404047

THE COMPANIES ACT 2006

PRIVATE COMPANY LIMITED BY SHARES

Written resolution OF

EXETER CITY LIVING LIMITED

(the Company)

CIRCULATED ON [insert circulation date]

Pursuant to Chapter 2 of Part 13 of the Companies Act 2006, the directors of the Company propose that the following resolution be passed as a special resolution

SPECIAL RESOLUTION

THAT the articles of association of the Company be amended as follows:

1. Clause 3.1 be amended by the removal of clause 3.1.1 and the addition of new clause 3.1.1 below.

‘Hold and manage property assets and then subsequently dispose of assets owned or managed by the Shareholder; and’

2. Clause 10.3 of the articles of association be amended to read ‘There shall be a minimum of one (1) Director on the Board and, unless the Shareholder otherwise agrees a maximum number of three (3) directors’

3. Clause 13.1 of the articles of association be amended to read ‘The quorum at a Directors’ meeting shall be one (1) Director appointed at the time of the relevant Directors’ meeting. Article 11(2) of the Model Articles shall not apply.

Please read the explanatory notes at the end of this document before signifying your agreement to the resolutions.

The undersigned, the Sole Shareholder entitled to vote on the Resolution Circulation Date hereby irrevocably agree to the resolution.

Signed	Date
for and on behalf of Exeter City Council	

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- 1 If you agree to the resolution, please signify your agreement by signing and dating this document where indicated above and returning it to the Company by **E-MAIL** by attaching a scanned copy of the signed document to an e-mail and sending it to Suzanne.edwards@exeter.gov.uk.
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Appendix 2

List of Exeter City Council Company and Charity Interests

ECC Group interests

	Company No.	Ownership	Shareholder Rep	Appointed Director	Client Lead	Status	Purpose
Strata	09041662	33%	Leader via JEC	Strategic Director for People	Head of Digital & Data	Active	Provision of IT Services
ESPL	06828415	20%	PH Climate	Head of City Centre & Net Zero	N/A	Active	To develop and manage Exeter Science Park
Exeter City Group	11404047	100%	ChiefExecutive	Finance Manager - Commercial	N/A	Active	Holding Company for ECL
ECL	11410540	*100%	ChiefExecutive	Finance Manager - Commercial	Head of Commercial Assets	Active	To manage rental properties for Council
Exeter City Homes	11410363	*100%	ChiefExecutive	Finance Manager - Commercial	N/A	Dormant	To manage residential rental properties
Exeter City Living Property	11410214	*100%	ChiefExecutive	Finance Manager - Commercial	N/A	Dormant	To manage commercial rental properties
SWAP	08215338	4%	Chair of A&G	N/A	Head of Finance	Active	Provision of Internal Audit Services
EBC	01995933	100%	Not Determined	3 Councillors	N/A	Active	To Provide Start Up space for new Companies
ECQT	Charity	N/A	N/A	8 Councillors	Not determined	Active	To enhance and promote the Canal & Quay area of the City
Dextco	10506296	20%	Not Determined	Howard Smith	N/A	Dormant	To encourage inward investment in low carbon energy projects
Monkerton Heat Co	09853521	16.66%	Not Determined	Howard Smith	N/A	Deemed dormant	To hold the head lease for district Heating network pipelines

* Holding Company owns these subsidiaries

Appendix 3

Company Financial Information

Appendix 3a

Strata Service Solutions Annual Report and Financial
Statements

Strata Service Solutions Limited

**Annual Report and Financial Statements
Year Ended 31 March 2024**

Registration number: 09041662

Strata Service Solutions Limited

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Strata Service Solutions Limited

Company Information

Directors	Mr S P I Davey
	Ms J J Yelland
	Mr N A Blaney
Registered office	Civic Centre Paris Street Exeter Devon EX1 1JN
Auditors	PKF Francis Clark Statutory Auditor Centenary House Peninsula Park Rydon Lane Exeter Devon EX2 7XE

Strata Service Solutions Limited

Strategic Report for the Year Ended 31 March 2024

The directors present their strategic report for the year ended 31 March 2024.

Principal activity

The principal activity of the company is the provision of information technology services to East Devon District Council, Teignbridge District Council and Exeter City Council.

Fair review of the business

Turnover for the year amounted to £9,453,192 (2023: £9,332,734) with a profit before taxation for the year of £8,201 (2023: loss of £524,809). Net current assets are £1,289,995 (2023: £1,266,857) and the company has net assets totalling £806,803 (2023: net assets £365,738). The balance sheet has moved from Shareholders funds of £365,738 in 2023 to £806,803 due to a reduction in the Company's pension fund liability linked to interest rate increases in the year to 31 March 2024. The Directors are satisfied that the guarantee provided by the three owner Councils in respect of the Pension Fund liabilities means that the Company can continue to trade and invest in the infrastructure required to grow the Company.

The Company's mutual trading status means that it only conducts business with the three owner Councils.

Performance in the year exceeded the Business Plan expectations, and resulted in delivery of a £0.952 million benefit to the Owners. A proportion of this was delivered up front in the form of reduced payments. Savings were mainly achieved through renegotiating a number of contracts despite high inflationary increases impacting contract renewals as well as a significant staff pay award increase. Over the life of the Company, it has delivered refunds to the Councils totalling £6.934 million, well in excess of the targets set out in the original Business Plan.

Strata has updated its performance metrics in the last financial year, aligning them with industry best practices. The revised indicators now include service requests, incident occurrences, change requests, new projects, system uptime, and outages. These refined metrics provide a clearer focus, enabling prompt adjustments if any metric deviates from the norm or exceeds expectations for a given period. The Partnership has outlined an ambitious business plan for 2024/25, aimed at transforming partner interactions with the public. This transformation is supported by the adoption of industry best practices like ITIL and a revamped project and resource management process. In summary, the Company has surpassed financial expectations while investing in significant transformation initiatives for its owners.

Strata Service Solutions Limited

Strategic Report for the Year Ended 31 March 2024

Principal risks and uncertainties

The Company, owned by three Local Authorities, operates on fixed budgets, necessitating stringent management to achieve set objectives.

Current global economic conditions pose a risk of high inflation and reduced local government grants. Technology plays a pivotal role in revamping the councils' operational models and curbing overall expenditure, which is reflected in the business plan for 2024/25, emphasizing 'investment to save' strategies.

As the owners are Local Authorities, they are subject to political change, which can affect the Company. If political change does take place in one of the owners, there is still a requirement to give 18 months' notice after the end of the three year period prior to leaving the Company, which should allow for a full assessment of the Company moving forward. In reality, however, as the three Councils have merged the infrastructure on which they run their respective businesses, it would be financially challenging for one of the Councils to serve notice. A Council would have to put in place alternate infrastructure and compensate the other authorities for the additional costs that they would incur going forward. Further details are given in the accounting policies under Going Concern.

Strata Service Solutions Limited

Directors' Report for the Year Ended 31 March 2024

The directors present their report and the financial statements for the year ended 31 March 2024.

Directors of the company

The directors who held office during the year were as follows:

Mr S P I Davey

Ms J J Yelland

Mr N A Blaney

Disclosure of information to the auditors

Each director has taken steps that they ought to have taken as a director in order to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information. The directors confirm that there is no relevant information that they know of and of which they know the auditors are unaware.

Approved by the Board on and signed on its behalf by:

.....
Ms J J Yelland
Director

Strata Service Solutions Limited

Statement of Directors' Responsibilities

The directors acknowledge their responsibilities for preparing the Annual Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable United Kingdom Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Strata Service Solutions Limited

Independent Auditor's Report to the Members of Strata Service Solutions Limited

Opinion

We have audited the financial statements of Strata Service Solutions Limited (the 'company') for the year ended 31 March 2024, which comprise the Profit and Loss Account, Statement of Comprehensive Income, Balance Sheet, Statement of Changes in Equity, Statement of Cash Flows, and Notes to the Financial Statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 March 2024 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the auditor responsibilities for the audit of the financial statements section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the director's use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for a period of at least twelve months from when the original financial statements were authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

Other information

The directors are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

Strata Service Solutions Limited

Independent Auditor's Report to the Members of Strata Service Solutions Limited

We have nothing to report in this regard.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Strategic Report and Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report and Directors' Report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of our knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic Report and the Directors' Report.

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of directors

As explained more fully in the Statement of Directors' Responsibilities set out on page 5, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditor Responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Strata Service Solutions Limited

Independent Auditor's Report to the Members of Strata Service Solutions Limited

As part of our audit planning we obtained an understanding of the legal and regulatory framework that is applicable to the company. We gained an understanding of the company and the industry in which the company operates as part of this assessment to identify the key laws and regulations affecting the company. As part of this, we reviewed the company's website for indication of any regulations and certification in place and discussed these with the relevant individuals responsible for compliance. The key regulations we identified were health and safety regulations, breaches of The General Data Protection Regulation ("GDPR") and achieving accreditation to the public services network. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the Companies Act 2006 and relevant tax legislation.

We discussed with management how the compliance with these laws and regulations is monitored and discussed policies and procedures in place. We also identified the individuals who have responsibility for ensuring that the company complies with laws and regulations and deals with reporting any issues if they arise. As part of our planning procedures, we assessed the risk of any non compliance with laws and regulations on the company's ability to continue trading and the risk of material misstatement to the accounts.

We also evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements. The key incentive identified is to meet the targets set by the group and we determined that the principal risks were related to the overstatement of profit, either through overstating revenue, understating expenditure or management bias in accounting estimates.

Based on this understanding we designed our audit procedures to identify non-compliance with such laws and regulations. Our procedures involved the following:

- Enquiries of management regarding their knowledge of any non compliance with laws and regulations that could affect the financial statements. As part of these enquiries we also discussed with management whether there have been any known instances of fraud.
- Discussed with the health and safety officer if any incidents have been reported during the year.
- Review of the GDPR policy and enquiries to management as to the occurrence and outcome of any reportable breaches.
- Reviewed the most recent certificate for accreditation to the public services network.
- Reviewed legal and professional costs to identify any possible non compliance or legal costs in respect of non compliance.
- Audited the risk of management override of controls, including through testing journal entries and other adjustments for appropriateness, and evaluating the business rationale of significant transactions outside the normal course of business.
- Reviewed estimates and judgements made in the accounts for any indication of bias and challenged assumptions used by management in making the estimates.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements. This risk increases the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements as we are less likely to become aware of instances of non-compliance. The risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment, collusion, omission or misrepresentation.

Strata Service Solutions Limited

Independent Auditor's Report to the Members of Strata Service Solutions Limited

A further description of our responsibilities is available on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of our report

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

.....
Tom Beable (FCA) (Senior Statutory Auditor)
PKF Francis Clark, Statutory Auditor

Centenary House
Peninsula Park
Rydon Lane
Exeter
Devon
EX2 7XE

Date:.....

Strata Service Solutions Limited

Profit and Loss Account

Year Ended 31 March 2024

	Note	2024 £	2023 £
Turnover	3	9,453,192	9,332,734
Cost of sales		<u>(3,835,815)</u>	<u>(4,313,595)</u>
Gross profit		5,617,377	5,019,139
Administrative expenses		<u>(5,673,765)</u>	<u>(5,339,485)</u>
Operating loss	4	(56,388)	(320,346)
Other interest receivable and similar income		82,589	40,537
Interest payable and similar charges	7	<u>(18,000)</u>	<u>(245,000)</u>
Profit/(loss) before tax		8,201	(524,809)
Taxation	8	<u>(18,136)</u>	<u>(7,702)</u>
Loss for the financial year		<u><u>(9,935)</u></u>	<u><u>(532,511)</u></u>

The notes on pages 15 to 25 form an integral part of these financial statements.
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Strata Service Solutions Limited

Statement of Comprehensive Income

Year Ended 31 March 2024

	Note	2024 £	2023 £
Loss for the year		(9,935)	(532,511)
Remeasurement gain on defined benefit pension schemes	14	<u>451,000</u>	<u>9,987,000</u>
Total comprehensive income for the year		<u>441,065</u>	<u>9,454,489</u>

The notes on pages 15 to 25 form an integral part of these financial statements.
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Strata Service Solutions Limited

Balance Sheet

31 March 2024

	Note	2024 £	2023 £
Fixed assets			
Intangible assets	9	1,307,206	1,318,194
Tangible assets	10	<u>493,094</u>	<u>677,056</u>
		<u>1,800,300</u>	<u>1,995,250</u>
Current assets			
Stocks		24,970	16,948
Debtors	11	2,892,445	1,939,768
Cash at bank and in hand		<u>1,005,617</u>	<u>716,980</u>
		3,923,032	2,673,696
Creditors: Amounts falling due within one year	12	<u>(2,633,037)</u>	<u>(1,406,839)</u>
Net current assets		<u>1,289,995</u>	<u>1,266,857</u>
Total assets less current liabilities		3,090,295	3,262,107
Deferred income	12	<u>(2,094,492)</u>	<u>(2,259,369)</u>
Net assets excluding pension liability		995,803	1,002,738
Net pension liability	14	<u>(189,000)</u>	<u>(637,000)</u>
Net assets		<u>806,803</u>	<u>365,738</u>
Capital and reserves			
Called up share capital	15	3	3
Profit and loss account		<u>806,800</u>	<u>365,735</u>
Total equity		<u>806,803</u>	<u>365,738</u>

Approved and authorised by the Board on and signed on its behalf by:

.....
Ms J J Yelland
Director

Company Registration Number: 09041662

The notes on pages 15 to 25 form an integral part of these financial statements.
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Strata Service Solutions Limited

Statement of Changes in Equity

Year Ended 31 March 2024

	Share capital £	Profit and loss account £	Total £
At 1 April 2023	3	365,735	365,738
Loss for the year	-	(9,935)	(9,935)
Other comprehensive income	-	451,000	451,000
Total comprehensive income	-	441,065	441,065
At 31 March 2024	3	806,800	806,803

	Share capital £	Profit and loss account £	Total £
At 1 April 2022	3	(9,088,754)	(9,088,751)
Loss for the period	-	(532,511)	(532,511)
Other comprehensive income	-	9,987,000	9,987,000
Total comprehensive income	-	9,454,489	9,454,489
At 31 March 2023	3	365,735	365,738

The notes on pages 15 to 25 form an integral part of these financial statements.
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Strata Service Solutions Limited

Statement of Cash Flows

Year Ended 31 March 2024

	Note	2024 £	2023 £
Cash flows from operating activities			
Loss for the year		(9,935)	(532,511)
Adjustments to cash flows from non-cash items			
Depreciation and amortisation	4	635,613	648,989
Loss on disposal of tangible assets		-	11,571
Finance income		(82,589)	(40,537)
Finance costs	7	18,000	245,000
Corporation tax	8	18,136	7,702
		<u>579,225</u>	<u>340,214</u>
Working capital adjustments			
Net pension movement	14	(15,000)	730,500
Increase in stocks		(8,022)	(5,679)
Increase in trade debtors	11	(952,677)	(208,283)
Increase/(decrease) in trade creditors	12	1,215,764	(395,089)
Decrease in deferred income		<u>(164,877)</u>	<u>(147,926)</u>
Cash generated from operations		654,413	313,737
Corporation tax paid		<u>(7,702)</u>	<u>(491)</u>
Net cash flow from operating activities		<u>646,711</u>	<u>313,246</u>
Cash flows from investing activities			
Interest received		82,589	40,537
Acquisitions of tangible assets		(49,836)	(197,204)
Acquisition of intangible assets		<u>(390,827)</u>	<u>(498,845)</u>
Net cash flows from investing activities		<u>(358,074)</u>	<u>(655,512)</u>
Net increase/(decrease) in cash and cash equivalents		288,637	(342,266)
Cash and cash equivalents at 1 April		<u>716,980</u>	<u>1,059,246</u>
Cash and cash equivalents at 31 March		<u>1,005,617</u>	<u>716,980</u>

The notes on pages 15 to 25 form an integral part of these financial statements.
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Strata Service Solutions Limited

Notes to the Financial Statements

Year Ended 31 March 2024

1 General information

The company is a private company limited by share capital, incorporated in England and Wales.

The address of its principal place of business and registered office is:

Civic Centre
Paris Street
Exeter
Devon
EX1 1JN

2 Accounting policies

Summary of significant accounting policies and key accounting estimates

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Basis of accounting and statement of compliance

The company's financial statements have been prepared in accordance with FRS 102 - the Financial Reporting Standard applicable in the UK and Republic of Ireland.

There are no material departures from FRS 102.

The functional currency of Strata Service Solutions Limited is considered to be pounds sterling because that is the currency of the economic environment in which the company operates.

Going concern

Each year the Company produces a Business Plan, setting out projected financial returns for the following period (latest three years) based on the agreed funding mechanism. The latest Business Plan runs to 2026-27 and projects that the costs of the business will be met by the Company's income stream in each year. This is based on known cost pressures and income increases in line with inflation.

As disclosed within the Strategic Report, the Local Authority owners are required to give 18 months' notice, in order to terminate services. At the date of approval of the financial statements, no owner had served notice.

On this basis, the directors have prepared the financial statements on a going concern basis.

Strata Service Solutions Limited

Notes to the Financial Statements

Year Ended 31 March 2024

Key sources of estimation uncertainty

The directors have considered the judgements and estimation uncertainties included in these financial statements and the accounting policies applied and concluded that these do not have a significant effect on the amounts recognised in the financial statements or lead to a risk of causing a material misstatement of the carrying amounts of assets and liabilities within the next financial year. Estimates and underlying assumptions are reviewed on an on-going basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects that period only, or in the period of revision and future periods if the revision affects both current and future periods.

The items in the financial statement where these judgements and estimates have been made include:

Due to advancements in technology the estimation of the useful economic life of intangible assets, which predominately are made up of software, is deemed to be a key estimate. The carrying amount is £1,307,206 (2023 - £1,318,194).

Due to advancements in technology the estimation of the useful economic life of tangible assets, which predominately are made up of computer equipment, is deemed to be a key estimate. The carrying amount is £493,094 (2023 - £677,056).

Defined benefit pension liability - assumptions surrounding the discount rate, future salary increases, inflation and future pension increased are considered key estimates. There is also an asset ceiling in place. The carrying amount is £(189,000) (2023 - £(637,000)).

Revenue recognition

Turnover comprises the fair value of the consideration received or receivable for the provision of information technology services to the relevant councils. Turnover is shown net of value added tax, returns, rebates and discounts. Fees are invoiced quarterly and recognised in the period to which they relate. Revenue is accrued or deferred as appropriate.

Government grants

Government grants relating to fixed assets are treated as deferred income and released to the profit and loss account over the expected useful lives of the assets concerned. Other grants are credited to the profit and loss account as the expenditure is incurred.

Tax

Tax is recognised in profit or loss, except that a change attributable to an item of income or expense recognised as other comprehensive income is also recognised directly in other comprehensive income.

The current corporation tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date in the countries where the company operates and generates taxable income.

Tangible assets

Tangible assets are stated in the balance sheet at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

The cost of tangible assets includes directly attributable incremental costs incurred in their acquisition and installation.

Strata Service Solutions Limited

Notes to the Financial Statements

Year Ended 31 March 2024

Depreciation

Depreciation is charged so as to write off the cost of assets, other than land and properties under construction over their estimated useful lives, as follows:

Asset class

Computer equipment

Depreciation method and rate

5-10 years straight line

Intangible assets

Intangible assets are stated in the balance sheet at cost, less any subsequent accumulated amortisation and subsequent accumulated impairment losses.

Amortisation

Amortisation is provided on intangible assets so as to write off the cost over their useful life as follows:

Asset class

Software

Amortisation method and rate

3-5 years straight line

Stocks

Stocks represent consumable stock and are carried at cost less provision for impairment.

Leases

Leases in which substantially all the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases are charged to profit or loss on a straight-line basis over the period of the lease.

Defined benefit pension obligation

A liability is recognised on the balance sheet in respect of defined benefit pension plans and is calculated as the present value of the defined benefit obligation at the reporting date minus the fair value of plan assets. Where the fair value of the plan assets exceeds the present value of the defined benefit obligation an assessment is made about the ability to realise pensions assets through reductions in future employer's contributions, which can result in a ceiling being placed on the value of the net asset that can be recognised. The defined benefit obligation is measured using the projected unit credit method. The present value of the defined benefit obligation is determined by discounting the estimated future payments by reference to market yields at the reporting date on high-quality corporate bonds that are denominated in the currency in which the benefits will be paid, and that have terms to maturity approximating to the terms of the related pension liability.

Actuarial gains and losses are charged or credited to other comprehensive income in the period in which they arise.

3 Turnover

The analysis of the company's revenue for the year from continuing operations, all of which is attributable to the United Kingdom, is as follows:

	2024 £	2023 £
Fee income	8,817,579	8,207,098
Grant income	635,613	1,125,636
	<u>9,453,192</u>	<u>9,332,734</u>

Strata Service Solutions Limited

Notes to the Financial Statements

Year Ended 31 March 2024

4 Operating loss

Arrived at after charging

	2024	2023
	£	£
Depreciation expense	233,798	222,382
Amortisation expense	401,815	426,607
Loss on disposal of property, plant and equipment	<u>-</u>	<u>11,571</u>

5 Staff costs

The aggregate payroll costs (including directors' remuneration) were as follows:

	2024	2023
	£	£
Wages and salaries	2,972,793	2,905,922
Social security costs	282,338	260,380
Pension costs, defined benefit scheme - service charge	<u>507,000</u>	<u>1,127,000</u>
	<u>3,762,131</u>	<u>4,293,302</u>

The average number of persons employed by the company (including directors) during the year, analysed by category was as follows:

	2024	2023
	No.	No.
Administration and support	<u>71</u>	<u>70</u>

6 Auditor's remuneration

	2024	2023
	£	£
Audit of the financial statements	<u>12,700</u>	<u>7,500</u>

7 Interest payable and similar expenses

	2024	2023
	£	£
Net finance costs in respect of defined benefit pension scheme	<u>18,000</u>	<u>245,000</u>

Strata Service Solutions Limited

Notes to the Financial Statements

Year Ended 31 March 2024

8 Taxation

Tax charged in the profit and loss account

	2024 £	2023 £
Current taxation		
UK corporation tax	<u>18,136</u>	<u>7,702</u>

The tax on the profit for the year is higher than the standard rate of corporation tax in the UK (2023 - lower than the standard rate of corporation tax in the UK) of 25% (2023 - 19%).

The differences are reconciled below:

	2024 £	2023 £
Profit/(loss) before tax	<u>8,201</u>	<u>(524,809)</u>
Corporation tax at standard rate	2,050	(99,714)
Effect of expense not deductible in determining taxable profit (tax loss)	18,597	107,416
Marginal relief	<u>(2,511)</u>	<u>-</u>
Total tax charge	<u>18,136</u>	<u>7,702</u>

By virtue of its members, the company has been set up as a mutual trading company and as such the tax charge for the year is only applied to its external investment income, being interest receivable.

Strata Service Solutions Limited

Notes to the Financial Statements

Year Ended 31 March 2024

9 Intangible assets

	Software £	Total £
Cost or valuation		
At 1 April 2023	4,220,765	4,220,765
Additions	390,827	390,827
Disposals	(9,293)	(9,293)
At 31 March 2024	<u>4,602,299</u>	<u>4,602,299</u>
Amortisation		
At 1 April 2023	2,902,571	2,902,571
Amortisation charge	401,815	401,815
Amortisation eliminated on disposals	(9,293)	(9,293)
At 31 March 2024	<u>3,295,093</u>	<u>3,295,093</u>
Carrying amount		
At 31 March 2024	<u>1,307,206</u>	<u>1,307,206</u>
At 31 March 2023	<u>1,318,194</u>	<u>1,318,194</u>

10 Tangible assets

	Computer equipment £	Total £
Cost or valuation		
At 1 April 2023	2,137,192	2,137,192
Additions	49,836	49,836
At 31 March 2024	<u>2,187,028</u>	<u>2,187,028</u>
Depreciation		
At 1 April 2023	1,460,136	1,460,136
Charge for the year	233,798	233,798
At 31 March 2024	<u>1,693,934</u>	<u>1,693,934</u>
Carrying amount		
At 31 March 2024	<u>493,094</u>	<u>493,094</u>
At 31 March 2023	<u>677,056</u>	<u>677,056</u>

Strata Service Solutions Limited

Notes to the Financial Statements

Year Ended 31 March 2024

11 Debtors

	2024 £	2023 £
Trade debtors	136,177	188,532
Other debtors	5,757	11,476
Prepayments and accrued income	2,750,511	1,739,760
	<u>2,892,445</u>	<u>1,939,768</u>

12 Creditors

	2024 £	2023 £
Due within one year		
Trade creditors	853,537	669
Corporation tax	18,136	7,702
Social security and other taxes	169,766	208,705
Outstanding defined contribution pension costs	53,454	48,383
Other creditors	3,469	3,513
Accrued expenses	1,534,675	1,137,867
	<u>2,633,037</u>	<u>1,406,839</u>
Deferred income		
Government grants	<u>2,094,492</u>	<u>2,259,369</u>

13 Obligations under leases and hire purchase contracts

Operating leases

The total of future minimum lease payments is as follows:

	2024 £	2023 £
Not later than one year	71,013	71,103
Later than one year and not later than five years	41,477	112,580
	<u>112,490</u>	<u>183,683</u>

Lease payments recognised as an expense in the year were £78,511 (2023: £53,527).

Strata Service Solutions Limited

Notes to the Financial Statements

Year Ended 31 March 2024

14 Pension and other schemes

Defined benefit pension schemes

Local Government Pension Scheme (LGPS)

The assets and liabilities of the scheme were transferred to the company on 1 November 2014 when the employees, who are members of the scheme, were transferred to the company from East Devon District Council, Teignbridge District Council and Exeter City Council. As part of the arrangements for the transfer, the Councils have provided guarantees to meet their share of their respective liabilities to the scheme in the event of the insolvency of the company.

The date of the most recent comprehensive actuarial valuation was 31 March 2024. Contributions are set every three years as a result of the actuarial valuation of the Fund required by the Regulations. The next actuarial valuation of the Fund will be carried out as at 31 March 2026 and will set contributions for the period 1 April 2026 to 31 March 2029. There are no minimum funding requirements in the LGPS but the contributions are generally set to target a funding level of 100% using the actuarial valuation assumptions.

The total cost relating to defined benefit schemes for the year recognised in profit or loss as an expense was £533,000 (2023 - £1,379,000).

Reconciliation of scheme assets and liabilities to assets and liabilities recognised

The amounts recognised in the balance sheet are as follows:

	2024	2023
	£	£
Fair value of scheme assets	14,466,000	12,426,000
Present value of defined benefit obligation	<u>(13,669,000)</u>	<u>(13,063,000)</u>
	797,000	(637,000)
Impact of asset ceiling (*)	<u>(986,000)</u>	<u>-</u>
Defined benefit pension scheme deficit	<u>(189,000)</u>	<u>(637,000)</u>

(*) The asset ceiling applied at 31 March 2024 reflects that the company's ability to realise the full economic benefits of the net pensions asset of £797,000, calculated under the accounting standards for post-employment benefits, through reductions in future employer's contributions is limited, due to the company's LGPS funding commitments.

Defined benefit obligation

Changes in the defined benefit obligation are as follows:

Strata Service Solutions Limited

Notes to the Financial Statements

Year Ended 31 March 2024

	2024 £
Present value at start of year	13,063,000
Current service cost	507,000
Interest cost	628,000
Benefits paid net of transfers in	(137,000)
Contributions by scheme participants	179,000
Change in demographic assumptions	(165,000)
Experience loss on defined benefit obligations	33,000
Change in financial assumptions	(439,000)
Present value at end of year	<u>13,669,000</u>

Fair value of scheme assets

Changes in the fair value of scheme assets are as follows:

	2024 £
Fair value at start of year	12,426,000
Interest income	610,000
Return on plan assets, excluding amounts included in interest income/(expense)	866,000
Employer contributions	530,000
Contributions by scheme participants	179,000
Benefits paid	(137,000)
Administrative expenses	(8,000)
Fair value at end of year	<u>14,466,000</u>

Analysis of assets

The major categories of scheme assets are as follows:

	2024 £	2023 £
Cash and cash equivalents	326,000	148,000
Equity instruments	9,745,000	8,527,000
Debt instruments	3,287,000	2,657,000
Property	1,111,000	1,089,000
Other assets	(3,000)	5,000
	<u>14,466,000</u>	<u>12,426,000</u>

Return on scheme assets

	2024 £	2023 £
Return on scheme assets	<u>1,476,000</u>	<u>(165,000)</u>

Strata Service Solutions Limited

Notes to the Financial Statements

Year Ended 31 March 2024

The pension scheme has not invested in any of the company's own financial instruments or in properties or other assets used by the company.

The overall expected return on assets assumption is derived as the weighted average of the expected returns from each of the main asset classes.

Principal actuarial assumptions

The principal actuarial assumptions at the balance sheet date are as follows:

	2024	2023
	%	%
Discount rate	4.95	4.80
Future salary increases	3.90	3.90
Future pension increases	2.90	2.90
Inflation	3.15	3.10

Post retirement mortality assumptions

	2024	2023
	Years	Years
Current UK pensioners at retirement age - male	22.00	22.00
Current UK pensioners at retirement age - female	23.00	23.00
Future UK pensioners at retirement age - male	23.00	23.00
Future UK pensioners at retirement age - female	24.00	24.00

15 Share capital

Allotted, called up and fully paid shares

	No.	2024	No.	2023
		£		£
Ordinary shares of £1 each	3	3	3	3

16 Commitments

Other financial commitments

The Company entered into one commitment at the year end relating to the Finance Convergence project.

The total amount contracted for but not provided in the financial statements was £200,017 (2023 - £237,136).

Strata Service Solutions Limited

Notes to the Financial Statements

Year Ended 31 March 2024

17 Related party transactions

Key management personnel

The directors are not remunerated from this company, other key management remuneration is as follows:

Key management compensation

	2024	2023
	£	£
Salaries and other short term employee benefits	81,142	12,702
Post-employment benefits	15,660	2,121
Consultants fees	-	232,830
	<u>96,802</u>	<u>247,653</u>

Summary of transactions with other related parties

Entities with joint control over the company

The company recognised turnover of £9,451,579 (2023: £9,331,188) to the Councils which jointly control it. At the year end £136,177 (2023: £188,518) was owed to the company by the Councils.

Entities under common control

During the year an entity under common control received services from the company to the value of £1,358 (2023: £1,402). At the year end £nil (2023: £nil) was owed to the company by the company under common control.

Strata Service Solutions Limited

Detailed Profit and Loss Account

Year Ended 31 March 2024

	2024 £	2023 £
Turnover		
Fee income	8,817,579	8,207,098
Grant income	635,613	1,125,636
	<u>9,453,192</u>	<u>9,332,734</u>
Cost of sales		
Opening stock	(16,948)	(11,268)
Closing stock	24,970	16,947
Wages and salaries	(2,972,793)	(2,905,922)
Staff NIC (Employers)	(282,338)	(260,380)
Staff pensions (Defined benefit)	(507,000)	(1,127,000)
Staff training	(34,994)	(20,433)
Other employment costs	(46,712)	(5,539)
	<u>(3,835,815)</u>	<u>(4,313,595)</u>
Gross profit	5,617,377	5,019,139
Gross profit (%)	59.42%	53.78%
Administrative expenses		
Administrative expenses	(5,673,765)	(5,339,485)
Operating loss	(56,388)	(320,346)
Other interest receivable and similar income		
Other finance income	(82,589)	(40,537)
Interest payable and similar charges		
Interest on defined benefit pension scheme	(18,000)	(245,000)
Profit/(loss) before tax	<u>8,201</u>	<u>(524,809)</u>

Strata Service Solutions Limited

Detailed Profit and Loss Account

Year Ended 31 March 2024

	2024 £	2023 £
Administration costs		
Repairs and maintenance	10,992	14,561
Telephone and fax	404,555	360,149
Licences and support	1,563,400	1,128,167
Office expenses	-	550
Computer software and maintenance costs	2,012,771	2,170,207
Printing, postage and stationery	627,807	644,102
Trade subscriptions	17,310	18,177
Sundry expenses	38,660	67,940
Travel and subsistence	6,034	5,352
Advertising	129,379	138,232
Auditor's remuneration	12,700	7,500
Internal audit costs	9,783	9,100
Legal and professional	203,338	113,062
Bank charges	1,423	1,826
Amortisation of intangible assets	401,815	426,607
Depreciation of computer equipment (owned)	233,798	222,382
(Profit)/loss on disposal of tangible fixed assets	-	11,571
	<u>5,673,765</u>	<u>5,339,485</u>

Appendix 3b

Exeter Science Park Annual Report and Financial Statements

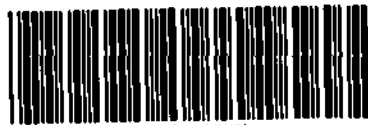
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EXETER SCIENCE PARK

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2024

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COMPANIES HOUSE



Bishop Fleming

EXETER SCIENCE PARK

COMPANY INFORMATION

DIRECTORS

R S N Ames
S Basker
P Chivers
K Denton
J Dumeresque (resigned 2 April 2024)
V Hatfield (appointed 11 April 2023)
P Hayward (resigned 26 May 2023)
R Knight (resigned 6 July 2023)
D Richardson (resigned 24 April 2024)
D Rowe (resigned 21 December 2023)
A Wissenburg
J Yelland (resigned 31 March 2023)
A Wood (appointed 8 May 2024)
M Hall (appointed 26 June 2023, resigned 8 May 2024)
N Buckland (appointed 1 August 2024)
D Ferguson (appointed 1 August 2024)

REGISTERED NUMBER

06828415

REGISTERED OFFICE

Science Park Centre
6 Babbage Way
Exeter
EX5 2FN

INDEPENDENT AUDITORS

Bishop Fleming LLP
Chartered Accountants & Statutory Auditors
2nd Floor Stratus House
Emperor Way
Exeter Business Park
Exeter
EX1 3QS

EXETER SCIENCE PARK

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Statement of income and retained earnings	8
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Statement of changes in equity	10
Notes to the financial statements	11 - 21

EXETER SCIENCE PARK

CHAIRMAN'S STATEMENT FOR THE YEAR ENDED 31 MARCH 2024

The chairman presents his statement for the period.

The challenging and sometimes volatile economic backdrop to FY2022-2023 tested ESPL and its clients. This persisted into the first part of FY2023-24 as we continued to experience the impact of the financial instability triggered by the September 2022 mini-budget. However, there was a noticeable shift during the second half of the year, and since September 2023 we have seen many of our clients growing and a net occupancy growth of around 1,000 sqft per month since then. This is very encouraging.

We were also encouraged by the start of the development of the new, sustainable, 'mindfully modern' voco Zeal Hotel which is on schedule for practical completion in December 2024. Its focus on innovation (design, construction, operations) to deliver through-life environmental sustainability is culturally well-aligned with the Science Park and will add further value to the community here and the wider economy.

The end of the worldwide COVID emergency led to the closure of the Environment Agency's COVID laboratory at Exeter Science Park and this along with a more general outward movement of yield has led to a reduction in the valuation of our property. Nevertheless, we have benefitted from evolving work patterns as more client-staff have returned to the office and there a greater demand for high-quality office and laboratory space. A report by JLL in early 2024 noted a 15% increase in office space usage compared to 2022, driven by companies redesigning spaces for hybrid working and we have evolved our offer to meet these new working patterns.

ESPL has been in scale-up mode since 2018. We have supported and weathered the COVID national emergency, helped our clients to survive and grow, developed new property and collaborated widely to support our region's recovery.

Our community space and events are growing and the Park as a whole continues to have a significant impact on the regional economy, with close to 700 people employed by organisations located here and a contribution of £48.5million GVA to the economy.

In July 2024, Exeter Science Park Ltd repaid its Growing Places Fund loan to the Heart of the South West Local Enterprise Partnership and extinguished four loan facilities. This was made possible by a £7.4m investment from its shareholders in the form of a debt for equity arrangement. This investment illustrates the shareholders' continued commitment to the Science Park and its future growth plans. In addition, land contiguous to Exeter Science Park was purchased for £1.5m equity, further strengthening the company's balance sheet. All this gives the ESPL's Board a high level of confidence that ESPL remains a robust business with a strong balance sheet and also helps position Exeter Science Park to realise its growth potential.

Now is the time for the Park to reset its course with a focus on developing partnerships locally, regionally and nationally to complete development of the park by the mid-2030s. We are now poised for growth, aiming to create more high-value jobs through the provision of quality office and laboratory facilities ranging from 100 square feet for start-ups to several thousand square feet for larger companies as part of a vibrant STEM-focused community.



R S N Ames
Chairman

Date 22/10/2024

EXETER SCIENCE PARK

DIRECTORS' REPORT FOR THE YEAR ENDED 31 MARCH 2024

The directors present their report and the financial statements for the year ended 31 March 2024.

DIRECTORS' RESPONSIBILITIES STATEMENT

The directors are responsible for preparing the Directors' report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period.

In preparing these financial statements, the directors are required to:

- select suitable accounting policies for the Company's financial statements and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

DIRECTORS

The directors who served during the year were:

R S N Ames
S Basker
P Chivers
K Denton
J Dumeresque (resigned 2 April 2024)
V Hatfield (appointed 11 April 2023)
P Hayward (resigned 26 May 2023)
R Knight (resigned 6 July 2023)
D Richardson (resigned 24 April 2024)
D Rowe (resigned 21 December 2023)
A Wissenburg
J Yelland (resigned 31 March 2023)
M Hall (appointed 26 June 2023, resigned 8 May 2024)

EXETER SCIENCE PARK

**DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2024**

DISCLOSURE OF INFORMATION TO AUDITORS

Each of the persons who are directors at the time when this Directors' report is approved has confirmed that:

- so far as the director is aware, there is no relevant audit information of which the Company's auditors are unaware, and
- the director has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

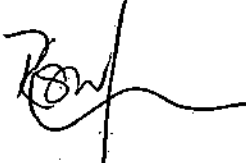
AUDITORS

The auditors, Bishop Fleming LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

SMALL COMPANIES NOTE

In preparing this report, the directors have taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006.

This report was approved by the board and signed on its behalf.



R S N Ames
Director

Date: 22/10/2024

Science Park Centre
6 Babbage Way
Exeter
EX5 2FN

EXETER SCIENCE PARK

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF EXETER SCIENCE PARK

OPINION

We have audited the financial statements of Exeter Science Park (the 'Company') for the year ended 31 March 2024, which comprise the Statement of income and retained earnings, the Statement of financial position, the Statement of changes in equity and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the Company's affairs as at 31 March 2024 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

BASIS FOR OPINION

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council's Ethical Standard and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

CONCLUSIONS RELATING TO GOING CONCERN

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

OTHER INFORMATION

The other information comprises the information included in the Annual Report other than the financial statements and our Auditors' report thereon. The directors are responsible for the other information contained within the Annual Report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

EXETER SCIENCE PARK

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF EXETER SCIENCE PARK (CONTINUED)

OPINION ON OTHER MATTERS PRESCRIBED BY THE COMPANIES ACT 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Directors' report and Chariman's statement for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Directors' report have been prepared in accordance with applicable legal requirements.

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

In the light of the knowledge and understanding of the Company and its environment obtained in the course of the audit, we have not identified material misstatements in the Directors' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the Directors' report and from the requirement to prepare a Strategic report.

RESPONSIBILITIES OF DIRECTORS

As explained more fully in the Directors' responsibilities statement set out on page 2, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

AUDITORS' RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an Auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, we considered the following:

- the nature of the sector, control environment and the Company's performance;
- results of our enquiries of management and the Directors, about their own identification and assessment of the risks of irregularities;
- any matters we identified having obtained and reviewed the Group's documentation of their policies and procedures relating to: identifying, evaluating and complying with laws and regulations and whether they were aware of any instances of non-compliance; detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected or alleged fraud; the internal controls established to mitigate risks of fraud or non-compliance with laws and regulations; and
- the matters discussed among the audit engagement team regarding how and where fraud might occur in the financial statements and any potential indicators of fraud.

As a result of these procedures, we have considered the opportunities and incentives that may exist within the organisation for fraud and identified the highest area of risk to be in relation to revenue recognition, with a particular risk in relation to year-end cut-off. In common with all audits under ISAs (UK), we are also required to perform specific procedures to respond to the risk of management override.

We identified and obtained an understanding of the laws and regulations that are of significance to the Company by discussions with directors and by updating our understanding of the sector in which the Company operated in. Laws and regulations that are of direct significance to the Company, and of which non-compliance could result in material misstatement, are considered to be the UK Companies Act, FRS 102 and UK tax legislation.

In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which may be fundamental to the Company's ability to operate or to avoid a material penalty. These included health and safety regulations and employment legislation.

Our procedures to respond to risks identified included the following:

- reviewing the financial statement disclosures and testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the financial statements;
- reviewing the financial statement disclosures and testing to supporting documentation to assess the recognition of revenue;
- enquiring of Directors and management concerning actual and potential litigation and claims;
- performing procedures to confirm material compliance with the requirements of the above regulations;
- performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- reading minutes of Director meetings; and
- in addressing the risk of fraud through management override of controls, testing the appropriateness of journal entries and other adjustments; and assessing whether the judgements made in making accounting estimates are indicative of a potential bias.

We also communicated relevant identified laws and regulations and potential fraud risks to all engagement team members and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

EXETER SCIENCE PARK

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF EXETER SCIENCE PARK (CONTINUED)

Our audit procedures were designed to respond to risks of material misstatement in the financial statements, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from an error, as fraud may involve deliberate concealment by, for example, forgery, misrepresentations or through collusion. There are inherent limitations in the audit procedures performed and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our Auditors' report.

USE OF OUR REPORT

This report is made solely to the Company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an Auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members, as a body, for our audit work, for this report, or for the opinions we have formed.

Bishop Fleming LLP

Mark Munro FCA (Senior statutory auditor)
for and on behalf of
Bishop Fleming LLP
Chartered Accountants
Statutory Auditors
2nd Floor Stratus House
Emperor Way
Exeter Business Park
Exeter
EX1 3QS

Date: 22/10/2024

EXETER SCIENCE PARK

**STATEMENT OF INCOME AND RETAINED EARNINGS
FOR THE YEAR ENDED 31 MARCH 2024**

	2024 £	2023 £
Turnover	1,354,201	1,439,845
Cost of sales	(585,632)	(355,715)
Gross profit	768,569	1,084,130
Administrative expenses	(1,579,141)	(1,054,381)
Other operating income	2,675,886	1,288,754
Fair value movements	(1,140,135)	(994,079)
Operating profit	725,179	324,424
Interest receivable and similar income	15,426	-
Interest payable and similar expenses	(371,009)	(338,113)
Profit/(loss) before tax	369,596	(13,689)
Tax on profit/(loss)	(140,809)	11,126
Profit/(loss) after tax	228,787	(2,563)
Retained earnings at the beginning of the year	1,528,366	1,530,929
	1,528,366	1,530,929
Profit/(loss) for the year	228,787	(2,563)
Retained earnings at the end of the year	1,757,153	1,528,366

The notes on pages 11 to 21 form part of these financial statements.

EXETER SCIENCE PARK
REGISTERED NUMBER: 06828415

STATEMENT OF FINANCIAL POSITION
AS AT 31 MARCH 2024

	Note	2024 £	2023 £
Fixed assets			
Intangible assets	6	10,525	13,756
Tangible assets	7	16,975,925	18,021,282
		<u>16,986,450</u>	<u>18,035,038</u>
Current assets			
Debtors: amounts falling due within one year	8	553,149	598,754
Cash at bank and in hand		1,745,140	276,427
		<u>2,298,289</u>	<u>875,181</u>
Creditors: amounts falling due within one year	9	(8,349,913)	(5,688,084)
Net current liabilities		<u>(6,051,624)</u>	<u>(4,812,903)</u>
Total assets less current liabilities		<u>10,934,826</u>	<u>13,222,135</u>
Creditors: amounts falling due after more than one year	10	(2,371,751)	(5,028,656)
Provisions for liabilities			
Deferred tax	12	(2,404,822)	(2,264,013)
		<u>(2,404,822)</u>	<u>(2,264,013)</u>
Net assets		<u>6,158,253</u>	<u>5,929,466</u>
Capital and reserves			
Called up share capital		4,401,100	4,401,100
Profit and loss account		1,757,153	1,528,366
		<u>6,158,253</u>	<u>5,929,466</u>

The Company's financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements were approved and authorised for issue by the board and were signed on its behalf by:


R S N Ames
 Director

Date: 22/10/2024

The notes on pages 11 to 21 form part of these financial statements

EXETER SCIENCE PARK**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 MARCH 2024**

	Called up share capital	Profit and loss account	Total equity
	£	£	£
At 1 April 2022	4,401,100	1,530,929	5,932,029
Comprehensive income for the year			
Loss for the year	-	(2,563)	(2,563)
At 1 April 2023	4,401,100	1,528,366	5,929,466
Comprehensive income for the year			
Profit for the year	-	228,787	228,787
At 31 March 2024	4,401,100	1,757,153	6,158,253

The notes on pages 11 to 21 form part of these financial statements.

EXETER SCIENCE PARK

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

1. GENERAL INFORMATION

The company is a private company limited by shares, registered in England and Wales. The address of the registered office is Science Park Centre, 6 Babbage Way, Exeter, EX5 2FN.

2. ACCOUNTING POLICIES

2.1 BASIS OF PREPARATION OF FINANCIAL STATEMENTS

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006. The disclosure requirements of Section 1A of FRS 102 have been applied other than where additional disclosure is required to show a true and fair view.

The following principal accounting policies have been applied:

2.2 GOING CONCERN

The Directors are required to consider whether the company will continue as a going concern for a period of 12 months from the signing of the accounts.

In making the assessment, the Directors have reviewed the corporate plan and budgets and considered risks that could impact the businesses capital, financial and liquidity position over that period. The Directors have also reviewed forecasts prepared using stressed but plausible operating conditions for a period in excess of 12 months after the date of approval of these financial statements.

In addition, the equity investment outlined in note 15 has strengthened the company balance sheet since the financial year end and will help position Exeter Science Park to realise its growth potential.

The board therefore continues to adopt the going concern basis of accounting in the preparation of these financial statements.

2.3 TURNOVER

Turnover is measured at the fair value of the consideration received or receivable for goods supplied and services rendered, net of discounts and Value Added Tax.

Revenue is generated from: lease of space (offices and/or laboratories) to tenants; provision of services to tenants; room rental and catering services for meetings and events; food and beverage sales from the Science Park Centre Cafe.

Rent from leased spaces is recognised according to the period of occupancy in the financial year. Income from meetings/events is recognised according to the date the event took place. Income from the cafe is recognised on the day of the sale.

EXETER SCIENCE PARK

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

2. ACCOUNTING POLICIES (continued)

2.4 GOVERNMENT GRANTS

Government grants are recognised at the fair value of the asset received or receivable. Grants are not recognised until there is reasonable assurance that the company will comply with the conditions attaching to them and the grants will be received.

Government grants are recognised using the performance model.

Under the performance model, where the grant does not impose specified future performance-related conditions on the recipient, it is recognised in income when the grant proceeds are received or receivable. Where the grant does impose specified future performance-related conditions on the recipient, it is recognised in income only when the performance-related conditions have been met. Where grants received are prior to satisfying the revenue recognition criteria, they are recognised as a liability.

2.5 OTHER OPERATING INCOME

The sale of the land for the development of Zeal Hotel has been recognised as grant income in the accounts to match historic development costs incurred by the Science park. As there were no conditions on this grant, it will therefore be released in its entirety.

2.6 PENSIONS

DEFINED CONTRIBUTION PENSION PLAN

Contributions to defined contribution plans are recognised as an expense in the period in which the related service provided. Prepaid contributions are recognised as an asset to the extent that the prepayment will lead to a reduction in future payments or a cash refund.

When contributions are not expected to be settled wholly within 12 months of the end of the reporting date in which the employees render the related service, the liability is measured on a discounted present value basis. The unwinding of the discount is recognised in finance costs in profit or loss in the period in which arises.

2. ACCOUNTING POLICIES (continued)

2.7 CURRENT AND DEFERRED TAXATION

The tax expense for the year comprises current and deferred tax. Tax is recognised in profit or loss except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date in the countries where the Company operates and generates income.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the reporting date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the reporting date.

2.8 INTANGIBLE ASSETS

Intangible assets are initially recognised at cost. After recognition, under the cost model, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

At each reporting date the company assesses whether there is any indication of impairment. If such indication exists, the recoverable amount of the asset is determined which is the higher of its fair value less costs to sell and its value in use. An impairment loss is recognised where the carrying amount exceeds the recoverable amount.

All intangible assets are considered to have a finite useful life. If a reliable estimate of the useful life cannot be made, the useful life shall not exceed ten years. Website development and software purchased are amortised over three years on a straight line basis.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024

2. ACCOUNTING POLICIES (continued)

2.9 TANGIBLE FIXED ASSETS

Tangible assets are initially recorded at cost and are subsequently stated at cost less any accumulated depreciation and impairment losses.

Any tangible assets carried at revalued amounts are recorded at the fair value at the date of revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following basis:

Plant and machinery	-	20%
Fixtures and fittings	-	20%

In addition to the standard depreciation categories above, specific specialist assets will be assessed for their useful life independently and depreciated on that basis.

If there is an indication that there has been a significant change in depreciation rate, useful life or residual value of any tangible asset, the depreciation is revised prospectively to reflect the new estimates.

Impairment

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date.

Where it is not possible to estimate the recoverable amount of an individual asset, an estimate is made of the recoverable amount of the cash-generating unit to which the asset belongs. The cash-generating unit is the smallest identifiable group of assets that includes the asset and generates cash inflows that are largely independent of the cash inflows from other assets or group of assets.

2.10 INVESTMENT PROPERTY

Buildings that are made available for let to tenants are held as investment properties and are subject to annual revaluation by a professional valuer. The valuer used for financial years 2022/23 and 2023/24 was Jones Lang LaSalle (JLL). Any movements in fair value of these assets is recognised as profit or loss.

2.11 CASH AND CASH EQUIVALENTS

Cash and cash equivalents comprise cash at bank and in hand, demand deposits with banks and other short-term highly liquid investments with original maturities of three months or less and bank overdrafts. In the statement of financial position, bank overdrafts are shown within borrowing or current liabilities.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024**

2. ACCOUNTING POLICIES (continued)

2.12 PROVISIONS FOR LIABILITIES

Provisions are recognised when the entity has an obligation at the reporting date as a result of a past event; it is probable that the entity will be required to transfer economic benefits in settlement and the amount of the obligation can be estimated reliably. Provisions are recognised as a liability in the statement of financial position and the amount of the provision as an expense.

Provisions are initially measured at the best estimate of the amount required to settle the obligation at the reporting date and subsequently reviewed at each reporting date and adjusted to reflect the current best estimate of the amount that would be required to settle the obligation. Any adjustments to the amounts previously recognised are recognised in profit or loss unless the provision was originally recognised as part of the cost of an asset. When a provision is measured at the present value of the amount expected to be required to settle the obligation, the unwinding of the discount is recognised in finance costs in profit or loss in the period it arises. Increases in provisions are generally charged as an expense to profit or loss.

2.13 FINANCIAL INSTRUMENTS

The company holds the following financial instruments:

- Loans;
- Short term trade and other debtors and creditors; and
- Cash and bank balances.

All financial instruments are classified as basic.

The company has chosen to apply the recognition and measurement principles in FRS 102.

Financial instruments are recognised when the company becomes party to the contractual provisions of the instrument and derecognised when in the case of assets, the contractual rights to cash flows from the assets expire or substantially all the risks and rewards of ownership are transferred to another party, or in the case of liabilities, when the company's obligations are discharged, expire or are cancelled.

Such instruments are initially measured at transaction price, including transaction costs, and are subsequently carried at the undiscounted amount of the cash or other consideration expected to be paid or received, after taking account of impairment adjustments.

Loans are initially measured at transaction price, including transaction costs, and are subsequently carried at amortised cost using the effective interest method.

EXETER SCIENCE PARK

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

3. JUDGMENTS IN APPLYING ACCOUNTING POLICIES AND KEY SOURCES OF ESTIMATION UNCERTAINTY

In the application of the Company's accounting policies, the directors are required to make judgments, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods. The estimates and assumptions which have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities are outlined below.

Valuation of freehold and leasehold property

The company assesses the carrying value of their leasehold and freehold properties at each balance sheet date and makes adjustments to fair value when necessary.

The valuation of property represents a source of estimation uncertainty. The type and location of property means there is little market data against which to benchmark the carrying value. As such, the Company makes annual use of an external valuer to ensure the estimate of carrying value remains appropriate.

Recognition of capital grant income

The company recognises capital grant income based on the performance model basis. The grant is recognised based on a basket of conditions stated in the funding agreements.

4. EMPLOYEES

The average monthly number of employees, including the directors, during the year was as follows:

	2024 No.	2023 No.
Average number of employees	12	11

5. PROFIT BEFORE TAXATION

The profit before taxation is stated before charging:

	2024 £	2023 £
Depreciation and amortisation of assets	75,491	62,771
Fair value adjustments to investment property	1,140,135	994,079
Fees payable for the audit of financial statements	11,650	11,200
	<u>1,227,276</u>	<u>1,068,050</u>

EXETER SCIENCE PARK

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024**

6. INTANGIBLE ASSETS

	Website development & Software £
COST	
At 1 April 2023	18,594
Additions	3,959
At 31 March 2024	<u>22,553</u>
AMORTISATION	
At 1 April 2023	4,838
Charge for the year on owned assets	7,190
At 31 March 2024	<u>12,028</u>
NET BOOK VALUE	
At 31 March 2024	<u>10,525</u>
At 31 March 2023	<u>13,756</u>

EXETER SCIENCE PARK

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024**

7. TANGIBLE FIXED ASSETS

	Freehold Investment property £	Leasehold Investment property £	Furniture, fittings and equipment £	Investment property under construction £	Plant and machinery £	Total £
COST OR VALUATION						
At 1 April 2023	15,295,000	2,230,000	250,186	7,694	514,296	18,297,176
Additions	65,135	-	33,641	24,595	39,708	163,079
Revaluations	(1,280,135)	140,000	-	-	-	(1,140,135)
At 31 March 2024	<u>14,080,000</u>	<u>2,370,000</u>	<u>283,827</u>	<u>32,289</u>	<u>554,004</u>	<u>17,320,120</u>
DEPRECIATION						
At 1 April 2023	-	-	100,378	-	175,516	275,894
Charge for the year on owned assets	-	-	36,666	-	31,635	68,301
At 31 March 2024	-	-	<u>137,044</u>	-	<u>207,151</u>	<u>344,195</u>
NET BOOK VALUE						
At 31 March 2024	<u>14,080,000</u>	<u>2,370,000</u>	<u>146,783</u>	<u>32,289</u>	<u>346,853</u>	<u>16,975,925</u>
At 31 March 2023	<u>15,295,000</u>	<u>2,230,000</u>	<u>149,808</u>	<u>7,694</u>	<u>338,780</u>	<u>18,021,282</u>

EXETER SCIENCE PARK**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024****8. DEBTORS**

	2024 £	2023 £
Trade debtors	202,928	216,176
Other debtors	350,221	382,578
	<u>553,149</u>	<u>598,754</u>

9. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2024 £	2023 £
Loans	7,671,965	5,245,843
Trade creditors	143,609	118,142
Other taxation and social security	33,394	40,310
Leases	37,601	29,909
Other creditors	309,509	153,428
Accruals and deferred income	153,835	100,452
	<u>8,349,913</u>	<u>5,688,084</u>

10. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2024 £	2023 £
Loans	-	2,415,203
Leases	2,132,546	2,170,158
Deferred Capital Grants	239,205	443,295
	<u>2,371,751</u>	<u>5,028,656</u>

The deferred grant relates to LEP funding for the George Parker Bidder Building. Grant has been released on a performance basis using the basket of conditions stated in the LEP funding agreement.

EXETER SCIENCE PARK**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024****11. LOANS**

The loan balances in creditors due within 1 year are made up of the following loans:

Lender	Loan Amount £	Matures	Interest Rate %	Balance 2024 £	Balance 2023 £
Exeter City Council	500,000	January 25	2.55%	616,881	604,131
Exeter City Council	500,000	January 25	2.62%	617,936	604,836
East Devon District Council	1,000,000	February 25	2.55%	1,231,736	1,206,236
LEP Growing Places Fund	4,500,000	June 24	**	5,205,413	5,245,855

** EU reference rate plus 1%, capped at 3%

In July 2024, Exeter Science Park Ltd repaid its Growing Places Fund loan to the Heart of the South West Local Enterprise Partnership, and converted the remaining loan facilities above into equity. Further details of this are disclosed in note 15.

12. DEFERRED TAXATION

	2024 £	2023 £
At beginning of year	(2,264,013)	
Charged to profit or loss	(140,809)	
AT END OF YEAR	(2,404,822)	
	2024 £	2023 £
Fixed asset timing differences	(1,975,571)	(1,942,752)
Short term timing differences	1,012	2,108
Capital gains	(2,134,716)	(1,856,228)
Losses and other deductions	1,704,453	1,532,859
	(2,404,822)	(2,264,013)

EXETER SCIENCE PARK

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

13. RELATED PARTY TRANSACTIONS

Devon County Council, East Devon District Council, Exeter City Council and University of Exeter hold the controlling shares in Exeter Science Park Limited.

Details of loan and lease obligations are discussed in note 10 and 11 of these accounts.

University of Exeter is also a tenant in the Science Park Centre, holding several leases to rent space of various lengths. These leases are included in Note 9 above and as at 31st March 2024 leases held were:

- Unit G03, 344 sq feet, ending 3rd March 2025
- Unit S02b/c, 2,405 sq feet, ending 24th May 2026

The University of Exeter also has a lease/lease-back arrangement place for the Turing Building as referred to in Notes 9 and 10 above.

14. TENANT LEASE COMMITMENTS

Rental income from tenant leases is recognised in the accounts as it becomes due, but lease commitments may span several financial years. The table below shows tenant leases held at 31st March 2024 with their future period commitments to pay rent

	2024 £
Lease commitment in the period:	
1st April 2024 to 31st March 2025	1,079,769
1st April 2025 to 31st March 2026	755,267
Periods from 1st April 2026 onwards	2,242,419
Total	4,077,455

15. POST BALANCE SHEET EVENTS

In July 2024, Exeter Science Park Ltd repaid its Growing Places Fund loan to the Heart of the South West Local Enterprise Partnership, and converted the other existing loan facilities to equity. As a result, there are no loan creditors remaining at the time of signing these financial statements.

This was made possible by a £7.4m investment from its shareholders. In addition, land contiguous to Exeter Science Park was exchanged for £1.5m equity, further strengthening the company's balance sheet. All this helps position Exeter Science Park to realise its growth potential when fully developed with the aim of delivering high-value jobs, enhanced productivity and economic growth for our region.

Appendix 3c

Exeter City Living Limited Annual Report and Financial
Statements

Exeter City Living Limited

**Annual Report and Financial Statements
Year Ended 31 March 2024**

Registration number: 11410540

Exeter City Living Limited

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Exeter City Living Limited

Company Information

Directors	R M Connolly
	C R A Kislingbury
	S E Edwards
	R J Hayman
Registered office	Exeter City Council Civic Centre Paris Street Exeter EX1 1JN
Auditors	PKF Francis Clark Statutory Auditor Centenary House Peninsula Park Rydon Lane Exeter EX2 7XE

Exeter City Living Limited

Directors' Report for the Year Ended 31 March 2024

The directors present their report and the financial statements for the year ended 31 March 2024.

Directors of the company

The directors who held office during the year were as follows:

R M Connolly

C R A Kislingbury

S A Forsey (resigned 31 March 2024)

S E Edwards

R J Hayman

Principal activity

The principal activity of the company during the year covered by this report was the construction and sale of new homes. Since the balance sheet date the principal activity is the management of properties.

Going concern

The Directors have obtained confirmation that the Shareholder will continue to provide financial and operational support to the company for the foreseeable future, being at least 12 months from approval of these financial statements. As such the directors believe the going concern basis is appropriate.

Disclosure of information to the auditors

Each director has taken steps that they ought to have taken as a director in order to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information. The directors confirm that there is no relevant information that they know of and of which they know the auditors are unaware.

Small companies provision statement

This report has been prepared in accordance with the special provisions relating to companies subject to the small companies regime within Part 15 of the Companies Act 2006.

Approved and authorised by the Board on 30th May 2024. and signed on its behalf by:



.....
R J Hayman
Director

Exeter City Living Limited

Statement of Directors' Responsibilities

The directors acknowledge their responsibilities for preparing the Annual Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Exeter City Living Limited

Independent Auditor's Report to the Members of Exeter City Living Limited

Opinion

We have audited the financial statements of Exeter City Living Limited (the 'company') for the year ended 31 March 2024, which comprise the Statement of Income and Retained Earnings, Balance Sheet, and Notes to the Financial Statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice) incorporating the requirements of Section 1A.

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 March 2024 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the auditor responsibilities for the audit of the financial statements section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the director's use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for a period of at least twelve months from when the original financial statements were authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

Other information

The directors are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Exeter City Living Limited

Independent Auditor's Report to the Members of Exeter City Living Limited

Opinion on other matter prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Directors' Report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of our knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the Directors' Report.

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the directors' report and from the requirement to prepare a strategic report.

Responsibilities of directors

As explained more fully in the Statement of Directors' Responsibilities set out on page 3, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditor Responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Exeter City Living Limited

Independent Auditor's Report to the Members of Exeter City Living Limited

During our audit planning, we gained an understanding of the company and the industry in which the company operates as part of this assessment to identify the key laws and regulations affecting the company. We identified the key regulations and principal risks of non-compliance with laws and regulations as relating to health and safety regulations, breaches of the General Data Protection Regulation ("GDPR") and the Construction, Design and Management Regulations. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the Companies Act 2006 and relevant tax legislation.

We discussed with management how the compliance with these laws and regulations is monitored and discussed policies and procedures in place. We also identified the individuals who have responsibility for ensuring that the company complies with laws and regulations and deals with reporting any issues if they arise. As part of our planning procedures, we assessed the risk of any non-compliance with laws and regulations on the company's ability to continue trading and the risk of material misstatement to the accounts.

Based on this understanding we designed our audit procedures to identify non-compliance with such laws and regulations. Our procedures involved the following:

- Enquiries of management regarding their knowledge of any non-compliance with laws and regulations that could affect the financial statements. As part of these enquiries we also discussed with management whether there have been any known instances of fraud, of which there were none.
- Reviewing the health and safety policy and discussion with management if any incidents have been reported during the year under The Reporting of Injuries, Diseases and Dangerous Occurrences Regulations 2013 ("RIDDOR"), of which there were none.
- Reviewing of the GDPR policy and enquiries to management as to the occurrence and outcome of any reportable breaches.
- Examining the documentation relating to application of the Construction, Design and Management Regulations.
- Reviewing the board meeting minutes to identify and potential breaches in laws and regulations, of which there were none identified.
- Reviewing legal and professional costs to identify any possible non-compliance or legal costs in respect of non-compliance.
- Auditing the risk of management override of controls, including through testing journal entries and other adjustments for appropriateness, and evaluating the business rationale of significant transactions outside the normal course of business.
- Reviewing estimates and judgements made in the accounts for any indication of bias and challenged assumptions used by management in making the estimates.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements. This risk increases the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements as we are less likely to become aware of instances of non-compliance. The risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment, collusion, omission or misrepresentation.

Exeter City Living Limited

Independent Auditor's Report to the Members of Exeter City Living Limited

A further description of our responsibilities is available on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of our report

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.



Tom Beable (FCA) (Senior Statutory Auditor)
PKF Francis Clark, Statutory Auditor

Centenary House
Peninsula Park
Rydon Lane
Exeter
EX2 7XE

Date: 11 June 2024

Exeter City Living Limited

Statement of Income and Retained Earnings

Year Ended 31 March 2024

	Year ended 31 March 2024 £	Year ended 31 March 2023 £
Turnover	10,905,211	1,093,483
Cost of sales	<u>(10,249,987)</u>	<u>(954,710)</u>
Gross profit	655,224	138,773
Administrative expenses	(486,162)	(937,632)
Other operating income	66,524	54,120
Other operating expenses	<u>(65,366)</u>	<u>(106,682)</u>
Operating profit/(loss)	<u>170,220</u>	<u>(851,421)</u>
Other interest receivable and similar income	81,287	32,280
Interest payable and similar charges	-	(446,539)
	<u>81,287</u>	<u>(414,259)</u>
Profit/(loss) before tax	251,507	(1,265,680)
Taxation	-	-
Profit/(loss) for the financial year	251,507	(1,265,680)
Retained earnings brought forward	<u>(4,526,607)</u>	<u>(3,260,927)</u>
Retained earnings carried forward	<u><u>(4,275,100)</u></u>	<u><u>(4,526,607)</u></u>

The notes on pages 10 to 14 form an integral part of these financial statements.
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Exeter City Living Limited

Balance Sheet

31 March 2024

	Note	2024 £	2023 £
Current assets			
Stocks	4	-	4,041,019
Debtors	5	4,304	781,437
Cash at bank and in hand		<u>1,717,229</u>	<u>1,515,050</u>
		1,721,533	6,337,506
Creditors: Amounts falling due within one year	6	<u>(1,604,300)</u>	<u>(1,026,542)</u>
Total assets less current liabilities		117,233	5,310,964
Creditors: Amounts falling due after more than one year	6	<u>-</u>	<u>(9,837,570)</u>
Net assets/(liabilities)		<u>117,233</u>	<u>(4,526,606)</u>
Capital and reserves			
Called up share capital		1	1
Capital contribution reserves	7	4,392,332	-
Profit and loss account		<u>(4,275,100)</u>	<u>(4,526,607)</u>
Shareholders' funds/(deficit)		<u>117,233</u>	<u>(4,526,606)</u>

These financial statements have been prepared and delivered in accordance with the special provisions relating to companies subject to the small companies regime within Part 15 of the Companies Act 2006.

Approved and authorised by the Board on 30th May 2024. and signed on its behalf by:


.....
R J Hayman
Director

Company Registration Number: 11410540

The notes on pages 10 to 14 form an integral part of these financial statements.
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Exeter City Living Limited

Notes to the Financial Statements

Year Ended 31 March 2024

1 General information

The company is a private company limited by share capital, incorporated in England and Wales.

The address of its registered office is:

Exeter City Council
Civic Centre
Paris Street
Exeter
EX1 1JN

2 Accounting policies

Summary of significant accounting policies and key accounting estimates

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Statement of compliance

These financial statements have been prepared in accordance with Financial Reporting Standard 102 Section 1A - 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. There are no material departures.

Basis of preparation

These financial statements have been prepared using the historical cost convention.

The functional currency of Exeter City Living Limited is considered to be pounds sterling because that is the currency of the economic environment in which the company operates.

Going concern

The financial statements have been prepared on a going concern basis.

During the year ended 31 March 2024 a decision was made by the sole Shareholder (Exeter City Council), after an independent review, to wind down the company's operations significantly.

On the 26 March 2024 the Shareholder acquired all remaining work in progress of the company, settled via a reduction in the loan due to the Shareholder. A further payment was made from cash towards the Shareholder loan. The work in progress and cash transferred did not cover the total loan amount due to the Shareholder. The remaining amount due to the Shareholder was waived on 26 March 2024 by the Shareholder and treated as a capital contribution.

The company will continue in a much-reduced capacity for the purpose of managing six leasehold properties.

The Directors have obtained confirmation that the Shareholder will continue to provide financial and operational support to the company for the foreseeable future, being at least 12 months from approval of these financial statements.

As such the directors believe the going concern basis is appropriate.

Exeter City Living Limited

Notes to the Financial Statements

Year Ended 31 March 2024

Key sources of estimation uncertainty

Management have applied judgement in respect of the following sources of estimation uncertainty at the end of the reporting period, for which there is a risk of resulting in a material adjustment to the carrying amounts of assets and liabilities, as follows:

Realisable value of work in progress

Work in progress is valued at the lower of cost and net realisable value. The net realisable value is calculated based on appraisals of site viability which during uncertain times can fluctuate and may lead to material movements. Included within work in progress is £nil (2023: £3,386k) in relation to a development site, where the carrying value is supported by market valuations of the land.

Estimation of market values

ECL appraises the future income expected from the sale of the Open Market homes it builds using its assessment of the current market data for the value of comparable dwellings available for sale or sold in a similar location. This assessment will be adjusted during the course of the development based on changes in market conditions or on evidence of achieved sales.

Revenue recognition

Turnover comprises the fair value of the consideration received or receivable for the sale of goods and provision of services in the ordinary course of the company's activities. Turnover is shown net of value added tax, returns, rebates and discounts.

Turnover and profit on the sale of residential property is recognised on the legal completion date. Turnover from development management services is recognised as the services are provided.

Tax

Tax is recognised in profit or loss, except that a change attributable to an item of income or expense recognised as other comprehensive income is also recognised directly in other comprehensive income.

The current corporation tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date.

Borrowing costs

Borrowing costs incurred during the period are recognised in the profit and loss account as they are incurred.

Stocks

Stock of land and work in progress are stated at the lower of cost price and net realisable value.

Exeter City Living Limited

Notes to the Financial Statements

Year Ended 31 March 2024

Financial instruments

Classification

The company holds the following financial instruments:

- Short term trade and other debtors and creditors;
- Other loans; and
- Cash and bank balances.

All financial instruments are classified as basic.

Recognition and measurement

The company has chosen to apply the recognition and measurement principles in FRS102.

Financial instruments are recognised when the company becomes party to the contractual provisions of the instrument and derecognised when in the case of assets, the contractual rights to cash flows from the assets expire or substantially all the risks and rewards of ownership are transferred to another party, or in the case of liabilities, when the company's obligations are discharged, expire or are cancelled.

Except for other loans, such instruments are initially measured at transaction price, including transaction costs, and are subsequently carried at the undiscounted amount of the cash or other consideration expected to be paid or received, after taking account of impairment adjustments.

Other loans are initially measured at transaction price, including transaction costs, and are subsequently carried at amortised cost using the effective interest method.

3 Staff numbers

The average number of persons employed by the company during the year was 2 (2023: 2).

4 Stocks

	2024 £	2023 £
Work in progress	-	4,041,019

5 Debtors

	2024 £	2023 £
Trade debtors	1,193	50,000
Other debtors	661	112,524
Prepayments and accrued income	2,450	618,913
	4,304	781,437

Exeter City Living Limited

Notes to the Financial Statements

Year Ended 31 March 2024

6 Creditors

	2024 £	2023 £
Due within one year		
Loans and borrowings	-	258,769
Trade creditors	716,421	-
Social security and other taxes	776,316	733
Other creditors	125	125
Accrued expenses	111,438	766,915
	<u>1,604,300</u>	<u>1,026,542</u>
	2024 £	2023 £
Due after one year		
Loans and borrowings	<u>-</u>	<u>9,837,570</u>

In the prior year, loans and borrowings represented three loan amounts due to the ultimate parent. The first loan charged interest at a rate of 5% per annum. Capital and interest payments were made every six months. The capital was due to be repaid by 31 March 2044. The capital due for repayment in more than 5 years was £3,309,249.

The second loan charged interest at 4.94% per annum. Capital and interest payments were made every six months. The capital was to be repaid by 31 March 2045. The capital due for repayment in more than 5 years was £3,993,472.

The third loan charged interest at 6.77% per annum. Capital and interest payments were made annually. The capital was to be repaid by 31 March 2048. The capital due for repayment in more than 5 years was £1,359,694.

During the year these loans were partially settled via the sale of work in progress and cash transferred to the ultimate parent. The remaining amount not covered was waived by the ultimate parent and has been treated as a capital contribution.

7 Reserves

The capital contribution reserve represents loan balances waived by the ultimate parent.

Exeter City Living Limited

Notes to the Financial Statements

Year Ended 31 March 2024

8 Financial commitments

Lease arrangement

There is a lease in place for six rental properties where Exeter City Living Limited receives income and pays expenses, retaining 2% of the net rental income. This arrangement is in connection with Exeter City Council, a related party. In the current year, other operating income in relation to this lease was £66,524 and other operating expenses were £65,366. The term of this arrangement is 10 years.

9 Ultimate parent undertaking

The parent entity preparing consolidated accounts including the company is Exeter City Council.

The registered office of Exeter City Council is that of Exeter City Living Limited as disclosed in note 1.

Exeter City Living Limited

Detailed Profit and Loss

Year Ended 31 March 2024

	Year ended 31 March 2024 £	Year ended 31 March 2023 £
Turnover		
Sale of goods	10,905,211	428,173
Rendering of services	-	665,310
	<u>10,905,211</u>	<u>1,093,483</u>
Cost of sales		
Own work capitalised	(10,249,987)	(954,710)
Gross profit	655,224	138,773
Gross profit (%)	6.01%	12.69%
Administrative expenses		
Administrative expenses	(486,162)	(937,632)
Other operating income/ (expenses)		
Other operating expenses	1,158	(52,562)
Operating profit/(loss)	170,220	(851,421)
Other interest receivable and similar income		
Interest income on bank deposits	81,287	32,280
Interest payable and similar charges		
Interest on bank overdrafts and borrowings	-	(446,539)
Profit/(loss) before tax	<u>251,507</u>	<u>(1,265,680)</u>

Exeter City Living Limited

Detailed Profit and Loss

Year Ended 31 March 2024

	2024 £	2023 £
Administration costs		
Wages and salaries - recharged	242,746	511,222
Non-exec directors' remuneration	32,500	30,000
Staff training	-	11,548
Rent and rates	11,431	31,847
Insurance	-	3,259
Telephone and fax	701	679
Computer software and maintenance costs	5,358	4,927
Printing, postage and stationery	5,029	2,023
Trade subscriptions	2,465	6,621
Sundry expenses	592	17,538
Motor expenses	-	502
Parking charges	-	138
Travel and subsistence	101	2,570
Hotel accommodation	-	134
Advertising	4,238	20,838
Hospitality	649	5,403
Auditor's remuneration - The audit of the company's annual accounts	16,282	11,850
Consultancy fees	115,630	166,545
Legal and professional fees	47,900	109,422
Bank charges	540	566
	<u>486,162</u>	<u>937,632</u>

Appendix 3d

South West Audit Partnership Limited Annual Report and
Financial Statements

South West Audit Partnership Limited

**Annual Report and Financial Statements
Year Ended 31 March 2024**

Registration number: 08215338

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COMPANIES HOUSE

South West Audit Partnership Limited

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South West Audit Partnership Limited

Company Information

Directors

- D C Hill
- K E James
- E Watkin
- J E Neilson
- E N McDowell
- L B Stone

Company secretary C Gunn

Registered office

Ground Floor
Blackbrook Gate 1
Blackbrook Business Park
Taunton
Somerset
TA1 2PX

Auditors

PKF Francis Clark
Statutory Auditor
Sigma House
Oak View Close
Edginswell Park
Torquay
TQ2 7FF

South West Audit Partnership Limited

Balance Sheet

31 March 2024

	Note	2024 £	2023 £
Fixed assets			
Intangible assets	4	9,558	19,116
Tangible assets	5	<u>11,348</u>	<u>10,957</u>
		<u>20,906</u>	<u>30,073</u>
Current assets			
Debtors	6	355,261	272,346
Cash at bank and in hand		<u>1,035,479</u>	<u>1,106,068</u>
		<u>1,390,740</u>	<u>1,378,414</u>
Creditors: Amounts falling due within one year	7	<u>(426,682)</u>	<u>(398,108)</u>
Net current assets		<u>964,058</u>	<u>980,306</u>
Net assets excluding pension liability		<u>984,964</u>	<u>1,010,379</u>
Pension liability	8	<u>-</u>	<u>(3,345,000)</u>
Capital and reserves			
Members' contributions		179,380	179,380
Profit and loss account		<u>805,584</u>	<u>(2,514,001)</u>
Total equity		<u>984,964</u>	<u>(2,334,621)</u>

These financial statements have been prepared and delivered in accordance with the special provisions relating to companies subject to the small companies regime within Part 15 of the Companies Act 2006 and the option not to file the Profit and Loss Account has been taken.

Approved and authorised by the Board on 11 July 2024 and signed on its behalf by:



D C Hill

Director

Company Registration Number: 08215338

The notes on pages 4 to 10 form an integral part of these financial statements.
Page 2

South West Audit Partnership Limited

Statement of Changes in Equity

Year Ended 31 March 2024

	Members' contributions £	Profit and loss account £	Total £
At 1 April 2023	179,380	(2,514,001)	(2,334,621)
Profit for the year	-	81,585	81,585
Other comprehensive income	-	3,238,000	3,238,000
Total comprehensive income	-	3,319,585	3,319,585
At 31 March 2024	179,380	805,584	984,964

	Members' contributions £	Profit and loss account £	Total £
At 1 April 2022	179,380	(11,162,375)	(10,982,995)
Loss for the year	-	(420,626)	(420,626)
Other comprehensive income	-	9,069,000	9,069,000
Total comprehensive income	-	8,648,374	8,648,374
At 31 March 2023	179,380	(2,514,001)	(2,334,621)

The notes on pages 4 to 10 form an integral part of these financial statements.

Page 3

South West Audit Partnership Limited

Notes to the Financial Statements

Year Ended 31 March 2024

1 General information

The company is a company limited by guarantee, incorporated in England, and consequently does not have share capital. Each of the members is liable to contribute an amount not exceeding £1 towards the assets of the company in the event of liquidation.

The address of its registered office is:

Ground Floor
Blackbrook Gate 1
Blackbrook Business Park
Taunton
Somerset
TA1 2PX

2 Accounting policies

Summary of significant accounting policies and key accounting estimates

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Statement of compliance

These financial statements have been prepared in accordance with Financial Reporting Standard 102 Section 1A - 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', including Section 1A, and the Companies Act 2006. There are no material departures from FRS102.

Basis of preparation

These financial statements have been prepared using the historical cost convention except that as disclosed in the accounting policies certain items are shown at fair value.

Going concern

The directors are satisfied that the company has adequate resources available to discharge its obligations as they fall due for a period of at least 12 months from the date of approval of these financial statements. In making their assessment, the directors have fully considered the impact of the current uncertain economic environment and its potential impact on cash flow and working capital requirements. The company therefore continues to adopt the going concern basis in preparing its financial statements.

Revenue recognition

Turnover represents amounts chargeable, net of value added tax, in respect of the sale of services to customers. Revenue is recognised upon delivery of services to customers.

Intangible assets

Intangible assets are stated in the balance sheet at cost, less any subsequent accumulated amortisation and subsequent accumulated impairment losses.

Amortisation

Amortisation is provided on intangible assets so as to write off the cost, less any estimated residual value, over their useful life as follows:

South West Audit Partnership Limited

Notes to the Financial Statements

Year Ended 31 March 2024

Asset class	Amortisation method and rate
Computer software	3 years straight line

Tangible assets

Tangible assets are stated in the balance sheet at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

The cost of tangible assets includes directly attributable incremental costs incurred in their acquisition and installation.

Depreciation

Depreciation is charged so as to write off the cost of assets, other than land and properties under construction over their estimated useful lives, as follows:

Asset class	Depreciation method and rate
Office equipment	3 years straight line
Fixtures and fittings	3 years straight line

Leases

Rentals payable under operating leases are charged to the profit and loss account on a straight line basis over the lease term.

Defined contribution pension obligation

The company operates a defined contribution pension scheme. Contributions are recognised in the profit and loss account in the period in which they became payable in accordance with the rules of the scheme.

Defined benefit pension obligation

The company operates a defined benefit pension scheme for employees. The assets of the scheme are held separately from those of the company as part of the Local Government Pension Scheme. The liabilities of the pension scheme as measured on an actuarial basis using a projected unit method, and the assets of the scheme are valued at market rate at the balance sheet date. Where the pension scheme is in deficit, this is recognised in full on the balance sheet.

South West Audit Partnership Limited

Notes to the Financial Statements

Year Ended 31 March 2024

Financial instruments

Classification

The company holds the following financial instruments:

- Short term trade and other debtors and creditors; and
- Cash and bank balances.

All financial instruments are classified as basic.

Recognition and measurement

The company has chosen to apply the recognition and measurement principles in FRS102.

Financial instruments are recognised when the company becomes party to the contractual provisions of the instrument and derecognised when in the case of assets, the contractual rights to cash flows from the assets expire or substantially all the risks and rewards of ownership are transferred to another party, or in the case of liabilities, when the company's obligations are discharged, expire or are cancelled.

Such instruments are initially measured at transaction price, including transaction costs, and are subsequently carried at the undiscounted amount of the cash or other consideration expected to be paid or received, after taking account of impairment adjustments.

3 Staff numbers

The average number of persons employed by the company (including directors) during the year, was 82 (2023 - 77).

4 Intangible assets

	Software costs £	Total £
Cost or valuation		
At 1 April 2023	41,340	41,340
At 31 March 2024	41,340	41,340
Amortisation		
At 1 April 2023	22,224	22,224
Amortisation charge	9,558	9,558
At 31 March 2024	31,782	31,782
Carrying amount		
At 31 March 2024	9,558	9,558
At 31 March 2023	19,116	19,116

South West Audit Partnership Limited

Notes to the Financial Statements

Year Ended 31 March 2024

5 Tangible assets

	Fixtures and fittings £	Office equipment £	Total £
Cost or valuation			
At 1 April 2023	5,210	43,860	49,070
Additions	-	4,917	4,917
At 31 March 2024	5,210	48,777	53,987
Depreciation			
At 1 April 2023	5,210	32,903	38,113
Charge for the year	-	4,526	4,526
At 31 March 2024	5,210	37,429	42,639
Carrying amount			
At 31 March 2024	-	11,348	11,348
At 31 March 2023	-	10,957	10,957

6 Debtors

	2024 £	2023 £
Trade debtors	155,736	158,734
Prepayments and accrued income	199,525	113,612
	<u>355,261</u>	<u>272,346</u>

7 Creditors

	2024 £	2023 £
Due within one year		
Trade creditors	97,028	63,061
Social security and other taxes	296,268	302,860
Other creditors	11,965	9,582
Accrued expenses	21,421	22,605
	<u>426,682</u>	<u>398,108</u>

South West Audit Partnership Limited

Notes to the Financial Statements

Year Ended 31 March 2024

8 Pension schemes

Defined contribution pension scheme

The company operates a defined contribution pension scheme. The pension cost charge for the year represents contributions payable by the company to the scheme and amounted to £62,142 (2023 - £47,049).

Defined benefit pension schemes

Local Government Pension Scheme (LGPS)

The LGPS is a defined benefit statutory scheme administered in accordance with the Local Government Pension Scheme Regulations 2013/14, is a defined benefit statutory scheme where benefits accrued up to 31 March 2024 are based on final salary and length of service on retirement. Changes to the LGPS came into effect from 1 April 2014 and any benefits accrued from this date will be based on career average re-valued salary.

The Administering Authority for the Fund is Somerset County Council.

The date of the most recent comprehensive actuarial valuation was 31 March 2022. This has been updated to reflect conditions at the balance sheet date. The valuation has been carried out by Barnett Waddingham Public Sector Consulting on the instructions of Somerset County Council.

The valuation of the pension scheme deficit included in the financial statements is calculated in accordance with FRS 102 Section 1A and is purely a valuation for financial statement reporting purposes.

Reconciliation of scheme assets and liabilities to assets and liabilities recognised

The amounts recognised in the statement of financial position are as follows:

	2024 £	2023 £
Fair value of scheme assets	19,305,000	11,556,000
Present value of defined benefit obligation	(15,308,000)	(14,901,000)
	3,997,000	(3,345,000)
Impact of asset ceiling	(3,997,000)	-
Defined benefit pension scheme deficit	-	(3,345,000)

South West Audit Partnership Limited

Notes to the Financial Statements

Year Ended 31 March 2024

Defined benefit obligation

Changes in the defined benefit obligation are as follows:

	2024
	£
Present value at start of year	14,901,000
Current service cost	297,000
Interest cost	715,000
Actuarial gains and losses - changes in assumptions	(599,000)
Benefits paid net of transfers in	(134,000)
Contributions by scheme participants	128,000
Present value at end of year	<u>15,308,000</u>

Fair value of scheme assets

Changes in the fair value of scheme assets are as follows:

	2024
	£
Fair value at start of year	11,556,000
Interest income	813,000
Return on plan assets less interest	1,395,000
Employer contributions	314,000
Contributions by scheme participants	128,000
Benefits paid net of transfers in	(134,000)
Administration fee paid from scheme assets	(8,000)
Reallocation of historic deficit	5,241,000
Fair value at end of year	<u>19,305,000</u>

During the year the reallocation of the historic pension deficit was addressed resulting in £5,241,000 of assets being transferred into the SWAP scheme as seen above.

This figure relates to former Partner employees who were transferred over to SWAP unfunded on the formation of the Company at 1st April, 2013, these assets were never transferred at that time.

The reallocation of the historic pension asset is being treated as other comprehensive income.

South West Audit Partnership Limited

Notes to the Financial Statements

Year Ended 31 March 2024

Analysis of assets

The major categories of scheme assets are as follows:

	2024 £	2023 £
Cash and cash equivalents	558,000	396,000
Equity instruments	14,251,000	8,619,000
Gilts	828,000	413,000
Property	1,350,000	927,000
Other bonds	2,318,000	1,201,000
	<u>19,305,000</u>	<u>11,556,000</u>

Return on scheme assets

	2024 £	2023 £
Return on scheme assets	<u>2,208,000</u>	<u>(228,000)</u>

The pension scheme has not invested in any of the company's own financial instruments or in properties or other assets used by the company.

Principal actuarial assumptions

The principal actuarial assumptions at the statement of financial position date are as follows:

	2024 %	2023 %
Discount rate	4.95	4.80
Future salary increases	3.90	3.90
Future pension increases	2.90	2.90
Inflation	<u>3.15</u>	<u>3.15</u>

9 Financial commitments, guarantees and contingencies

Amounts not provided for in the balance sheet

The total amount of financial commitments not included in the balance sheet is £4,268 (2023 - £29,132). This relates to the future obligations of the company payable under non-cancellable operating leases.

10 Audit report

The Independent Auditors' Report was unqualified. The name of the Senior Statutory Auditor who signed the audit report was Martin Hobbs' BSc ACA, who signed for and on behalf of PKF Francis Clark on 16 August 2024.

Appendix 3e

Exeter Business Centre Limited Unaudited Statutory Accounts

EXETER BUSINESS CENTRE LTD

Company limited by guarantee

**Company Registration Number:
01995933 (England and Wales)**

Unaudited statutory accounts for the year ended 31 March 2024

Period of accounts

Start date: 01 April 2023

End date: 31 March 2024

EXETER BUSINESS CENTRE LTD

Company limited by guarantee

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for the Period Ended 31 March 2024

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Report of the Directors - 4

Income and Expenditure Account - 5

Balance sheet - 6

Additional notes - 8

Balance sheet notes - 11

EXETER BUSINESS CENTRE LTD**Company limited by guarantee****Company Information****for the Period Ended 31 March 2024****Director:**

Cllr Amy Sparling

Cllr Duncan Wood

Cllr Amal Ghusain

Cllr Paul Knott

Registered office:39, MARSH GREEN ROAD
EXETERExeter
Devon
EX2 8PN**Company Registration Number:**

01995933 (England and Wales)

EXETER BUSINESS CENTRE LTD**Company limited by guarantee****Directors' Report Period Ended 31 March 2024**

The directors present their report with the financial statements of the company for the period ended 31 March 2024

Principal Activities

The principal activity of the company continued to be that of letting industrial units for small enterprises.

Directors

The directors shown below have held office during the whole of the period from 01 April 2023 to 31 March 2024

Cllr Amy Sparling

Cllr Duncan Wood

The director(s) shown below were appointed to the company during the period

Cllr Paul Knott

18 July 2023

The director(s) shown below resigned during the period

Cllr Amal Ghusain

08 May 2023

This report was approved by the board of directors on 18 July 2024

And Signed On Behalf Of The Board By:

Name: Cllr Duncan Wood

Status: Director

Name: Cllr Paul Knott

Status: Director

EXETER BUSINESS CENTRE LTD**Company limited by guarantee****Income and Expenditure Account****for the Period Ended 31 March 2024**

	<i>Notes</i>	2024 £	2023 £
Turnover		253,051	254,520
Cost of sales		(0)	(0)
Gross surplus or (deficit)		253,051	254,520
Income from coronavirus (COVID-19) business support grants		0	0
Administrative Expenses		(335,095)	(261,221)
Operating surplus or (deficit)		(82,044)	(6,701)
Surplus or (deficit) before tax		(82,044)	(6,701)
Surplus or (deficit) for the period		(82,044)	(6,701)

The notes form part of these financial statements

EXETER BUSINESS CENTRE LTD**Company limited by guarantee****Balance sheet**

As at 31 March 2024

	<i>Notes</i>	<i>2024</i> £	<i>2023</i> £
Fixed assets			
Tangible assets:	4	2	2
Total fixed assets:		<u>2</u>	<u>2</u>
Current assets			
Debtors:	5	32,962	57,890
Cash at bank and in hand:		15,684	96,124
Total current assets:		<u>48,646</u>	<u>154,014</u>
Creditors: amounts falling due within one year:	6	(42,354)	(65,678)
Net current assets (liabilities):		<u>6,292</u>	<u>88,336</u>
Total assets less current liabilities:		<u>6,294</u>	<u>88,338</u>
Total net assets (liabilities):		<u>6,294</u>	<u>88,338</u>

The notes form part of these financial statements

EXETER BUSINESS CENTRE LTD

Company limited by guarantee

Balance sheet continued

As at 31 March 2024

	Notes	2024 £	2023 £
Reserves			
Income and expenditure account		6,294	88,338
Members funds		<u>6,294</u>	<u>88,338</u>

For the year ending 31 March 2024 the company was entitled to exemption under section 477 of the Companies Act 2006 relating to small companies.

The members have not required the company to obtain an audit in accordance with section 476 of the Companies Act 2006.

The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

These accounts have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies regime.

This report was approved by the board of directors on 18 July 2024
And Signed On Behalf Of The Board By:

Name: Cllr Duncan Wood
Status: Director

Name: Cllr Paul Knott
Status: Director

The notes form part of these financial statements

EXETER BUSINESS CENTRE LTD**Company limited by guarantee****Notes to the Financial Statements****for the Period Ended 31 March 2024****1. Accounting policies****Basis of measurement and preparation**

These financial statements have been prepared in accordance with the provisions of Section 1A (Small Entities) of Financial Reporting Standard 102

Turnover policy

Rental and service charge income is recognised in the period to which it relates. Grants are recognised when received.

Tangible fixed assets depreciation policy

Depreciation of fixed assets is calculated to write off their costs or valuation less any residual value over their estimated useful lives as follows:

Leasehold land and buildings - straight line over the remaining period of the lease

Equipment - 10 years straight line

EXETER BUSINESS CENTRE LTD

Company limited by guarantee

Notes to the Financial Statements

for the Period Ended 31 March 2024

2. Employees

	<i>2024</i>	<i>2023</i>
Average number of employees during the period	2	2

EXETER BUSINESS CENTRE LTD

Company limited by guarantee

Notes to the Financial Statements

for the Period Ended 31 March 2024

3. Off balance sheet disclosure

No

EXETER BUSINESS CENTRE LTD**Company limited by guarantee****Notes to the Financial Statements****for the Period Ended 31 March 2024****4. Tangible assets**

	Land & buildings	Fixtures & fittings	Total
Cost	£	£	£
At 01 April 2023	250,372	15,119	265,491
Additions	-	-	-
Disposals	-	-	-
Revaluations	-	-	-
Transfers	-	-	-
At 31 March 2024	250,372	15,119	265,491
Depreciation			
At 01 April 2023	250,371	15,118	265,489
Charge for year	-	-	-
On disposals	-	-	-
Other adjustments	-	-	-
At 31 March 2024	250,371	15,118	265,489
Net book value			
At 31 March 2024	1	1	2
At 31 March 2023	1	1	2

EXETER BUSINESS CENTRE LTD

Company limited by guarantee

Notes to the Financial Statements

for the Period Ended 31 March 2024

5. Debtors

	<i>2024</i> <i>£</i>	<i>2023</i> <i>£</i>
Trade debtors	32,962	57,890
Total	<u>32,962</u>	<u>57,890</u>

EXETER BUSINESS CENTRE LTD

Company limited by guarantee

Notes to the Financial Statements

for the Period Ended 31 March 2024

6.Creditors: amounts falling due within one year note

	<i>2024</i>	<i>2023</i>
	<i>£</i>	<i>£</i>
Trade creditors	33,561	30,928
Taxation and social security	0	613
Other creditors	8,793	34,137
Total	42,354	65,678

Appendix 3f
Dextco Limited Unaudited Financial Statements

DEXTCO LIMITED
Unaudited Financial Statements
For the financial year ended 31 December 2023
Pages for filing with the registrar

DEXTCO LIMITED
UNAUDITED FINANCIAL STATEMENTS
For the financial year ended 31 December 2023

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DEXTCO LIMITED
COMPANY INFORMATION
For the financial year ended 31 December 2023

DIRECTORS

N A Blaney
M J Sealey
H H Smith
C S Tidman

REGISTERED OFFICE

Centenary House Peninsula Park
Rydon Lane
Exeter
EX2 7XE
United Kingdom

COMPANY NUMBER

10506296 (England and Wales)

CHARTERED ACCOUNTANTS

Francis Clark LLP
Centenary House
Peninsula Park
Rydon Lane
Exeter
Devon EX2 7XE

DEXTCO LIMITED
BALANCE SHEET
As at 31 December 2023

		2023	2022
		£	£
Current assets			
Debtors			
- due after more than one year	3	6,377	6,377
Cash at bank and in hand		17,784	20,578
		24,161	26,955
Creditors: amounts falling due within one year	4	(1,692)	(2,200)
Net current assets		22,469	24,755
Total assets less current liabilities		22,469	24,755
Net assets		22,469	24,755
Capital and reserves			
Called-up share capital	5	5	5
Share premium account		25,000	25,000
Profit and loss account		(2,536)	(250)
Total shareholders' funds		22,469	24,755

For the financial year ending 31 December 2023 the Company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Directors' responsibilities:

- The members have not required the Company to obtain an audit of its financial statements for the financial year in accordance with section 476;
- The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements; and
- These financial statements have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies regime and a copy of the Profit and Loss Account has not been delivered.

The financial statements of DEXTCo Limited (registered number: 10506296) were approved and authorised for issue by the Board of Directors on 15 July 2024. They were signed on its behalf by:

H Smith
Director

DEXTCO LIMITED
NOTES TO THE FINANCIAL STATEMENTS
For the financial year ended 31 December 2023

1. Accounting policies

The principal accounting policies are summarised below. They have all been applied consistently throughout the financial year and to the preceding financial year, unless otherwise stated.

General information and basis of accounting

DEXTCo Limited (the Company) is a private company, limited by shares, incorporated in the United Kingdom under the Companies Act 2006 and is registered in England and Wales.

The address of the Company's registered office is:

Centenary House
Peninsula Park,
Rydon Lane
Exeter
EX2 7XE,

The principal place of business is:

Royal Devon and Exeter NHS
Foundation Trust
Barrack Road
Exeter
EX2 5DW

The financial statements have been prepared under the historical cost convention, modified to include certain items at fair value, and in accordance with Section 1A of Financial Reporting Standard 102 (FRS 102) 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' issued by the Financial Reporting Council and the requirements of the Companies Act 2006 as applicable to companies subject to the small companies regime. There has been no material departure from FRS102.

The financial statements are presented in pounds sterling which is the functional currency of the company and rounded to the nearest £.

Going concern

The directors have assessed the Balance Sheet and likely future cash flows at the date of approving these financial statements. The directors have a reasonable expectation that the Company has adequate resources to continue in operational existence and to meet its financial obligations as they fall due for at least 12 months from the date of signing these financial statements. Accordingly, they continue to adopt the going concern basis in preparing the financial statements.

Turnover

Grant income received is deferred and released against corresponding expenditure as it arises. Where income is received in advance of meeting any performance-related conditions there is not unconditional entitlement to the income and its recognition is deferred and included in creditors as deferred income until the performance-related conditions are met.

Financial instruments

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument.

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the Company after deducting all of its liabilities.

Financial assets and liabilities are only offset in the Balance Sheet when, and only when there exists a legally enforceable right to set off the recognised amounts and the Company intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

DEXTCO LIMITED
NOTES TO THE FINANCIAL STATEMENTS
For the financial year ended 31 December 2023

Basic financial assets

Basic financial assets receivable within one year, such as trade debtors and bank balances, are measured at transaction price less any impairment.

Basic financial assets receivable within more than one year are measured at amortised cost less any impairment.

Financial assets are derecognised when and only when the contractual rights to the cash flows from the financial asset expire or are settled, or the Company transfers to another party substantially all of the risks and rewards of ownership of the financial asset, or the Company, despite having retained some, but not all, significant risks and rewards of ownership, has transferred control of the asset to another party.

Basic financial liabilities

Basic financial liabilities that have no stated interest rate and are payable within one year, such as trade creditors, are measured at transaction price.

Other basic financial liabilities are measured at amortised cost.

Financial liabilities are derecognised when the company's contractual obligations expire or are discharged or cancelled.

2. Employees

	2023	2022
	Number	Number
Monthly average number of persons employed by the Company during the year, including directors	0	0

3. Debtors

	2023	2022
	£	£
Debtors: amounts falling due after more than one year		
Other debtors	6,377	6,377

4. Creditors: amounts falling due within one year

	2023	2022
	£	£
Other creditors	1,692	2,200

5. Called-up share capital

	2023	2022
	£	£
Allotted, called-up and fully-paid		
5 Ordinary shares of £ 1.00 each	5	5

DEXTCO LIMITED
NOTES TO THE FINANCIAL STATEMENTS
For the financial year ended 31 December 2023

6. Related party transactions

In previous years the following shareholders provided the company with grants. The amounts due by each of the shareholders at the year end is as follows:-

Exeter City Council £1,589
RD&E NHS Foundation Trust £1,596
The University of Exeter £1,596
Teignbridge District Council £1,596

This document was delivered using electronic communications and authenticated in accordance with the registrar's rules relating to electronic form, authentication and manner of delivery under section 1072 of the Companies Act 2006.

Appendix 3g

Monkerton Heat Company Limited Dormant Accounts

Registered Number 09853521

MONKERTON HEAT COMPANY LIMITED

Dormant Accounts

30 November 2023

Balance Sheet as at 30 November 2023

	2023	2022
	£	£
Current assets		
Cash at bank and in hand	6	6
Net assets	6	6
Issued share capital		
6 Ordinary Shares of £ 1 each	6	6
Total Shareholder funds	6	6

STATEMENTS

- a. For the year ending 30 November 2023 the company was entitled to exemption under section 480 of the Companies Act 2006 relating to dormant companies.
- b. The members have not required the company to obtain an audit in accordance with section 476 of the Companies Act 2006.
- c. The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.
- d. These accounts have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

Approved by the Board on 4 October 2024

And signed on their behalf by:

Howard Smith, Director

This document was delivered using electronic communications and authenticated in accordance with the registrar's rules relating to electronic form, authentication and manner of delivery under section 1072 of the Companies Act 2006.

Appendix 3h

Exeter Canal & Quay Trust Limited Annual Report and
Financial Statements

Company registration number: 01605020

Charity registration number: 284163

Exeter Canal & Quay Trust Limited

(A company limited by guarantee)

Annual Report and Financial Statements

for the Year Ended 31 March 2024



WESTCOTTS

CHARTERED ACCOUNTANTS
& BUSINESS ADVISERS

Exeter Canal & Quay Trust Limited

Contents

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Notes to the Financial Statements	12 to 28

Exeter Canal & Quay Trust Limited

Reference and Administrative Details

Secretary	G Curry
Company Registration Number	01605020
Charity Registration Number	284163
Registered Office	The charity is incorporated in England and Wales. Custom House The Quay Exeter EX2 4AN
Trustees:	A M Jobson (appointed 8 November 2023) P M J Bialyk J C Ellis-Jones (appointed 18 July 2023 and resigned 1 February 2024) A Williamson T Read (appointed 18 July 2023) J D Bell L C A Wright R A Branston (resigned 18 July 2023) M Snow (appointed 18 July 2023) R T Williams R C Newby (resigned 12 June 2023) A J Wardle J C M Parkhouse (resigned 18 July 2023) R Johnson C L Wyse M Williams (appointed 1 February 2024) A R Leadbetter (resigned 8 November 2023)
Auditor	Westcotts (SW) LLP 80 Oxford Street Burnham-On-Sea Somerset TA8 1EF
Bankers	National Westminster Bank plc Exeter 59 High Street Exeter Devon EX4 3DL

Exeter Canal & Quay Trust Limited

Trustees' Report

The trustees, who are directors for the purposes of company law, present the annual report together with the financial statements and auditors' report of the charitable company for the year ended 31 March 2024.

Structure, governance and management

Exeter Canal and Quay Trust Limited is a charitable company limited by guarantee, registered in England and Wales, number 01605020, governed under a Memorandum and Articles of Association. It has the registered charity number 284163.

The members of the Executive Committee are the directors of the charitable company. The Executive Committee is appointed in accordance with the Memorandum and Articles of Association of the charitable company and meets on a quarterly basis to receive and review reports on property matters and the financial status.

Four of the Trustees are appointed by the Executive Committee and the remainder are appointed by Exeter City Council. The Trustees have undertaken a review of the recruitment and induction procedures for new Trustees in order to ensure that the Executive Committee has an appropriate mix of skills, and that new Trustees fully understand

- the aims and objectives of the Company
- the provisions of the Memorandum and Articles of Association
- the accounts of the Company
- the duties and responsibilities of a charity Trustee

The day-to-day property management operation of the charitable company is undertaken by the Estates Department of Exeter City Council on the basis of a contract with the company, for which a management charge is made. The Trustees set and review from time to time the financial parameters within which the Estates Department can make decisions. An decision that would be outside those parameters is referred to the Chair of the Trustees who decides if the matter must be referred to a full meeting of the Executive Committee.

Other day-to-day financial and administrative duties are undertaken by officers of Exeter City Council, who report to the Chair of the Trustees and hence to the Executive Committee.

Key management personnel remuneration

The Trustees consider the Board of Trustees as comprising the key management personnel of the charity in charge of directing and controlling the charity and running and operating the charity on a day to day basis. All Trustees give of their time freely and no Trustee remuneration was paid in the year.

Risk management

The Trustees have given consideration to the processes needed to assess and mitigate major risks to the charity. As the charity has no employees of its own and relies for its administration, property and financial management upon employees of Exeter City Council provided under contractual arrangements, the Trustees are satisfied that there are few, if any, major operational risks to which the charity is exposed.

Exeter Canal & Quay Trust Limited

Trustees' Report

During previous years, the Trustees engaged the services of Michael White, a consultant in risk management matters, who carried out a comprehensive risk review. The Trustees held a special meeting to consider the report and the way forward. The process revealed possible risks in connection with Trustee recruitment, succession planning and complaints handling. The Trustees are taking further steps through the current year to address these issues.

Objectives and activities

Objects and aims

The objects for which the Company is established, as adopted on 16 April 2007, are:

- the preservation of land, buildings and other features of beauty or historical or architectural interest in or around the Exeter Canal and Quay Basin (the "Area"); - the promotion and encouragement of high standards of architecture, building and town planning and the promotion of civic pride in the Area; - the promotion and support of musical, artistic, educational and other cultural activities within the Area; - the promotion and support of community participation in any form of healthy recreation involving waterborne sports in the Area; - the education of the public about the historic trade passing through Exeter Canal and Quay and the preservation and conservation of buildings of historic interest connected with that trade, whether or not within the Area.

The Trustees confirm that they have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the Trust's aims and objectives and in planning future activities.

Achievements and performance

Maclaines Warehouse has been let in two parts with long term agreements to facilitate major refurbishment/conservation work completed by Topsham Brewery as a Brewing Centre and Forward space commencing conversion work to Studio Offices.

Exeter Canal and Quay Trust has continued preservation and repair work to its premises by way of necessary repairs and maintenance. This year has seen further decorative work completed to the Grade I listed Custom House, with further internal decoration work planned. A kitchen servery and discrete storage space have been completed.

The Trust continues to support the operation by the City Council of the Custom House.

The Trust runs a comprehensive cultural programme, offering 3 year residencies to 2 organisations. Both secure additional grant funding to support their work and enhance the offer at the Custom House.

The Trust's assets are considered adequate for its anticipated future obligations. The Trust's work is not dependent on volunteers. The Trust, on advice from its Brokers, continues to place its property insurance with Ecclesiastical Life.

Financial review

The deficit for the year was £251,787 (2023: £271,100) which includes an unrealised loss on the valuation of the investments totalling £2,750 (2023: £108,739).

Exeter Canal & Quay Trust Limited

Trustees' Report

Reserves policy

The charity carries out both day-to-day maintenance and long term refurbishment work within the Exeter Canal and Quay area. The Trustees believe that free reserves, i.e. those unrestricted funds which are not invested in the fixed assets or otherwise committed, should be in the region of the charity's annual expenditure. Unrestricted funds at 31 March 2024 are £3,438,496 (2023: £3,690,283) of which £985,528 (2023: £1,279,378) represents free reserves. The Trustees anticipate that the level of free reserves will fall as the plans noted below are implemented.

Plans for future periods

The charity has three main practical functions in delivering its aims and objectives, namely the management of the property portfolio, the determination of grant applications made to the Trust, and the co-ordination and promotion of a cultural programme in the Custom House and wider Quayside. There is a concentrated focus on our Heritage Harbour designation and a keenness to return historic boats to the area as well as promoting our maritime heritage.

The Trust operates service level agreements with Exeter City Council in terms of our administrative and financial requirements, as well as the day to day management of the Custom House. Independent property valuations will continue to be supplied by Vickery Holman, Chartered Surveyors.

We are in Year 2 of our current cultural partners programme so will continue to develop with Literature Works and Art Work Exeter. We are also pushing forward with plans to promote our Heritage Harbour designation.

We will continue to further our aims and objectives by making grants to organisations and individuals who apply to us, whether those grants be large and strategic or small and targeted.

Statement of trustees' responsibilities

The trustees (who are also the directors of Exeter Canal & Quay Trust Limited for the purposes of company law) are responsible for preparing the trustees' report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland". The report and accounts have been prepared in accordance with the provisions in the Companies Act 2006 relating to small companies.

Company law requires the trustees to prepare financial statements for each financial year. Under company law the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including its income and expenditure, of the charitable company for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards, comprising FRS 102 have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

Exeter Canal & Quay Trust Limited

Trustees' Report

The trustees are responsible for keeping proper accounting records that can disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Disclosure of information to auditor

Each trustee has taken steps that they ought to have taken as a trustee in order to make themselves aware of any relevant audit information and to establish that the charity's auditor is aware of that information. The trustees confirm that there is no relevant information that they know of and of which they know the auditor is unaware.

Small companies provision statement

This report has been prepared in accordance with the small companies regime under the Companies Act 2006.

The annual report was approved by the trustees of the charity on 21/01/24... and signed on its behalf by:



.....
A Williamson
Trustee

Exeter Canal & Quay Trust Limited

Independent Auditor's Report to the Members of Exeter Canal & Quay Trust Limited

Opinion

We have audited the financial statements of Exeter Canal & Quay Trust Limited (the 'charity') for the year ended 31 March 2024, which comprise the Statement of Financial Activities, Balance Sheet, and Notes to the Financial Statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is United Kingdom Accounting Standards, comprising Charities SORP - FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and applicable law (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 March 2024 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the auditor responsibilities for the audit of the financial statements section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and the provisions available for small entities, in the circumstances set out in note to the financial statements, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charity's ability to continue as a going concern for a period of at least twelve months from when the original financial statements were authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

Other information

The trustees are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Exeter Canal & Quay Trust Limited

Independent Auditor's Report to the Members of Exeter Canal & Quay Trust Limited

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Trustees' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Trustees' Report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of our knowledge and understanding of the charity and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Report.

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the Statement of trustees' responsibilities (set out on page 4 and 5), the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charity or to cease operations, or have no realistic alternative but to do so.

Auditor responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Exeter Canal & Quay Trust Limited

Independent Auditor's Report to the Members of Exeter Canal & Quay Trust Limited

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- we identified the laws and regulations applicable to the company through discussions with directors and other management, and from our commercial knowledge and experience of the sector;
- we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the company, including the Companies Act 2006, taxation legislation, data protection, anti-bribery, employment, environmental and health and safety legislation;
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting legal correspondence; and
- identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

We assessed the susceptibility of the company's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud;
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations; and

To address the risk of fraud through management bias and override of controls, we:

- performed analytical procedures to identify any unusual or unexpected relationships;
- tested journal entries to identify unusual transactions;
- assessed whether judgements and assumptions made in determining the accounting estimates were indicative of potential bias;
- investigated the rationale behind significant or unusual transactions.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- agreeing financial statement disclosures to underlying supporting documentation;
- reading the minutes of meetings of those charged with governance;
- enquiring of management as to actual and potential litigation and claims;
- reviewing correspondence with HMRC, relevant regulators and the company's legal advisors.

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the directors and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

Exeter Canal & Quay Trust Limited

Independent Auditor's Report to the Members of Exeter Canal & Quay Trust Limited

Use of our report

This report is made solely to the charitable company's trustees, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and its trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Westcotts (SW) LLP

.....
David Wright FCA (Senior Statutory Auditor)
For and on behalf of Westcotts (SW) LLP, Statutory Auditor

80 Oxford Street
Bumham-On-Sea
Somerset
TA8 1EF

Date: 10.12.24

Exeter Canal & Quay Trust Limited

Statement of Financial Activities for the Year Ended 31 March 2024 (Including Income and Expenditure Account and Statement of Total Recognised Gains and Losses)

	Note	Unrestricted funds £	Total 2024 £	Total 2023 £
Income and Endowments from:				
Charitable activities	3	35,986	35,986	38,585
Other trading activities	4	22,540	22,540	4,177
Investment income	5	294,421	294,421	263,483
Total Income		352,947	352,947	306,245
Expenditure on:				
Raising funds	6	(261,744)	(261,744)	(197,379)
Charitable activities	7	(340,240)	(340,240)	(271,227)
Total expenditure		(601,984)	(601,984)	(468,606)
Gains/(losses) on investment assets		(2,750)	(2,750)	(108,739)
Net expenditure		(251,787)	(251,787)	(271,100)
Net movement in funds		(251,787)	(251,787)	(271,100)
Reconciliation of funds				
Total funds brought forward		3,690,283	3,690,283	3,961,383
Total funds carried forward	25	3,438,496	3,438,496	3,690,283

All of the charity's activities derive from continuing operations during the above two periods.

All prior year fund balances are unrestricted.

The notes on pages 12 to 28 form an integral part of these financial statements.

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Exeter Canal & Quay Trust Limited

(Registration number: 01605020)

Balance Sheet as at 31 March 2024

	Note	2024 £	2023 £
Fixed assets			
Intangible assets	16	15,840	21,120
Heritage assets	17	516,393	524,050
Investments	18	<u>2,625,672</u>	<u>2,618,723</u>
		<u>3,157,905</u>	<u>3,163,893</u>
Current assets			
Debtors	19	162,143	219,832
Cash at bank and in hand	20	<u>698,792</u>	<u>943,547</u>
		860,935	1,163,379
Creditors: Amounts falling due within one year	21	<u>(299,344)</u>	<u>(353,989)</u>
Net current assets		<u>561,591</u>	<u>809,390</u>
Total assets less current liabilities		3,719,496	3,973,283
Creditors: Amounts falling due after more than one year	22	<u>(281,000)</u>	<u>(283,000)</u>
Net assets		<u>3,438,496</u>	<u>3,690,283</u>
Funds of the charity:			
Unrestricted income funds			
Unrestricted funds		<u>3,438,496</u>	<u>3,690,283</u>
Total funds	25	<u>3,438,496</u>	<u>3,690,283</u>

These financial statements have been prepared in accordance with the special provisions relating to companies subject to the small companies regime within Part 15 of the Companies Act 2008.

The financial statements on pages 10 to 28 were approved by the trustees, and authorised for issue on 21/3/24, and signed on their behalf by:


.....
A Williamson
Trustee

The notes on pages 12 to 28 form an integral part of these financial statements.

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Exeter Canal & Quay Trust Limited

Notes to the Financial Statements for the Year Ended 31 March 2024

1 Charity status

The charity is limited by guarantee, incorporated in England and Wales, and consequently does not have share capital. Each of the trustees is liable to contribute an amount not exceeding £10 towards the assets of the charity in the event of liquidation.

The address of its registered office is:

Custom House
The Quay
Exeter
EX2 4AN

2 Accounting policies

Summary of significant accounting policies and key accounting estimates

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Statement of compliance

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice (applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)) (issued in October 2019) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), the Charities Act 2011, the Companies Act 2006 and UK Generally Accepted Practice as it applies from 1 January 2019.

Basis of preparation

Exeter Canal & Quay Trust Limited meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy notes. The financial statements are prepared in sterling which is the functional currency of the charity.

Going concern

The trustees consider that there are no material uncertainties about the charity's ability to continue as a going concern nor any significant areas of uncertainty that affect the carrying value of assets held by the charity.

Summary of disclosure exemptions

The charity has taken advantage of the exemptions within FRS102 Charity SORP including the requirement to produce a cashflow as it is classed as a small charity.

Exeter Canal & Quay Trust Limited

Notes to the Financial Statements for the Year Ended 31 March 2024

Judgements

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The judgements (apart from those involving estimations) that management has made in the process of applying the entity's accounting policies and that have the most significant effect on the amounts recognised in the financial statements are as follows: Valuation of investment properties, which is calculated by management's expert, as described in note 18, based on open market conditions

Income

Income is included in the Statement of Financial Activities when entitlement has passed to the charity; it is probable that the economic benefits associated with the transaction will flow to the charity and the amount can be reliably measured. The following specific policies are applied to particular categories of income:

Donations and legacies

Income from donations or grants is recognised when there is evidence of entitlement to the gift, receipt is probable and its amount can be measured reliably.

Other income

Legacy income is recognised when receipt is probable and entitlement is established.

Income from donated goods is measured at the fair value of the goods unless this is impractical to measure reliably, in which case the value is derived from the cost to the donor or the estimated resale value. Donated facilities and services are recognised in the accounts when received if the value can be reliably measured. No amounts are included for the contribution of general volunteers.

Income from contracts for the supply of services is recognised with the delivery of the contracted service. This is classified as unrestricted funds unless there is a contractual requirement for it to be spent on a particular purpose and returned if unspent, in which case it may be regarded as restricted.

Expenditure

All expenditure is recognised once there is a legal or constructive obligation to that expenditure, it is probable settlement is required and the amount can be measured reliably. All costs are allocated to the applicable expenditure heading that aggregate similar costs to that category. Where costs cannot be directly attributed to particular headings they have been allocated on a basis consistent with the use of resources, with central staff costs allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use. Other support costs are allocated based on the spread of staff costs.

Raising funds

These are costs incurred in attracting voluntary income, the management of investments and those incurred in trading activities that raise funds.

Exeter Canal & Quay Trust Limited

Notes to the Financial Statements for the Year Ended 31 March 2024

Charitable activities

Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

Grant provisions

Provisions for grants are made when the intention to make a grant has been communicated to the recipient but there is uncertainty about either the timing of the grant or the amount of grant payable.

Governance costs

These include the costs attributable to the charity's compliance with constitutional and statutory requirements, including audit, strategic management and trustees meetings and reimbursed expenses.

Taxation

The charity is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

Intangible assets

Intangible assets are initially recorded at cost, and are subsequently stated at cost less any accumulated amortisation and impairment losses. Any intangible assets carried at revalued amounts, are recorded at the fair value at the date of revaluation, as determined by reference to an active market, less any subsequent accumulated amortisation and subsequent accumulated impairment losses.

Tangible fixed assets

Tangible assets are initially recorded at cost, and subsequently stated at cost less any accumulated depreciation and impairment losses. Any tangible assets carried at revalued amounts are recorded at the fair value at the date of revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

An increase in the carrying amount of an asset as a result of a revaluation, is recognised in other recognised gains and losses, unless it reverses a charge for impairment that has previously been recognised as expenditure within the statement of financial activities. A decrease in the carrying amount of an asset as a result of revaluation, is recognised in other recognised gains and losses, except to which it offsets any previous revaluation gain, in which case the loss is shown within other recognised gains and losses on the Statement of Financial Activities.

Exeter Canal & Quay Trust Limited

Notes to the Financial Statements for the Year Ended 31 March 2024

Heritage assets

Heritage assets measured under the cost model are recognised initially recorded at acquisition cost, and subsequently stated at cost less any accumulated depreciation and impairment losses.

Heritage assets measured under the revaluation model are recorded at fair value less any accumulated impairment losses.

Where information on the cost or value of an asset is not available and cannot be obtained at a cost which is commensurate with the benefits to users of the financial statements, the asset shall not be recognised in the Statement of Financial Position.

Amortisation

Amortisation is provided on intangible fixed assets so as to write off the cost, less any estimated residual value, over their expected useful economic life as follows:

Asset class	Amortisation method and rate
Website	20% straight line

Depreciation

Asset class	Depreciation method and rate
Long leasehold property	5% straight line

Impairment of fixed assets

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date.

For the purposes of impairment testing, when it is not possible to estimate the recoverable amount of an individual asset, an estimate is made of the recoverable amount of the cash-generating unit to which the asset belongs. The cash-generating unit is the smallest identifiable group of assets that includes the asset and generates cash inflows that largely independent of the cash inflows from other assets or groups of assets.

For impairment testing of goodwill, the goodwill acquired in a business combination is, from the acquisition date, allocated to each of the cash-generating units that are expected to benefit from the synergies of the combination, irrespective of whether other assets or liabilities of the charity are assigned to those units.

Investment properties

Investment property is carried at fair value, derived from the current market prices for comparable real estate determined annually by external valuers. The valuers use observable market prices, adjusted if necessary for any difference in the nature, location or condition of the specific asset. Changes in fair value are recognised in Profit or Loss.

Exeter Canal & Quay Trust Limited

Notes to the Financial Statements for the Year Ended 31 March 2024

Fixed asset investments

Fixed asset investments, other than programme related investments, are included at market value at the balance sheet date. Realised gains and losses on investments are calculated as the difference between sales proceeds and their market value at the start of the year, or their subsequent cost, and are charged or credited to the Statement of Financial Activities in the period of disposal.

Unrealised gains and losses represent the movement in market values during the year and are credited or charged to the Statement of Financial Activities based on the market value at the year end.

Trade debtors

Trade debtors are amounts due from customers for merchandise sold or services performed in the ordinary course of business.

Trade debtors are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for the impairment of trade debtors is established when there is objective evidence that the charity will not be able to collect all amounts due according to the original terms of the receivables.

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

Fund structure

Unrestricted income funds are general funds that are available for use at the trustees discretion in furtherance of the objectives of the charity.

Designated funds are unrestricted funds earmarked by the trustees for particular future project or commitment.

Restricted funds are subjected to restrictions on their expenditure declared by the donor or through the terms of an appeal, and fall into one of two sub-classes: restricted income funds or endowment funds.

Operating leases

Leases in which substantially all the risks and rewards of ownership are retained by the lessor are classified as operating leases. Rentals payable under operating leases are charged in the Statement of Financial Activities on a straight line basis over the lease term.

Exeter Canal & Quay Trust Limited

Notes to the Financial Statements for the Year Ended 31 March 2024

3 Income from charitable activities

	Unrestricted funds General	Total 2024
	£	£
Other income from charitable activities	35,986	35,986
	<u>35,986</u>	<u>35,986</u>
	Unrestricted funds General	Total 2023
	£	£
Other income from charitable activities	38,585	38,585
	<u>38,585</u>	<u>38,585</u>

4 Income from other trading activities

	Unrestricted funds General	Total 2024
	£	£
Other income from other trading activities	22,540	22,540
	<u>22,540</u>	<u>22,540</u>
	Unrestricted funds General	Total 2023
	£	£
Other income from other trading activities	4,177	4,177
	<u>4,177</u>	<u>4,177</u>

5 Investment income

	Unrestricted funds General	Total 2024
	£	£
Interest receivable on bank deposits	34,366	34,366
Dividends received	20,380	20,380
Income from rents	239,675	239,675
	<u>294,421</u>	<u>294,421</u>
	Unrestricted funds General	Total 2023
	£	£
Interest receivable on bank deposits	15,705	15,705
Dividends received	19,241	19,241
Income from rents	228,537	228,537
	<u>263,483</u>	<u>263,483</u>

Exeter Canal & Quay Trust Limited

Notes to the Financial Statements for the Year Ended 31 March 2024

6 Expenditure on raising funds

a) Other costs of generating donations and legacies

	Unrestricted funds General £	Total 2024 £
Rent	40,776	40,776
Insurance	79,150	79,150
Management charges	10,816	10,816
Services	10,183	10,183
Legal and professional	56,391	56,391
Depreciation	12,937	12,937
Other costs	51,491	51,491
	<u>261,744</u>	<u>261,744</u>
	Unrestricted funds General £	Total 2023 £
Rent	23,372	23,372
Insurance	72,062	72,062
Management charges	10,920	10,920
Services	9,816	9,816
Legal and professional	67,400	67,400
Depreciation	12,937	12,937
Other costs	872	872
	<u>197,379</u>	<u>197,379</u>

7 Expenditure on charitable activities

	Note	Unrestricted funds General £	Total 2024 £
Charitable activities		232,020	232,020
Grant funding of activities	9	103,495	103,495
Governance costs	8	4,725	4,725
		<u>340,240</u>	<u>340,240</u>

Exeter Canal & Quay Trust Limited

Notes to the Financial Statements for the Year Ended 31 March 2024

	Note	Unrestricted funds General £	Total 2023 £
Charitable activities		172,992	172,992
Grant funding of activities	9	93,610	93,610
Governance costs	8	4,625	4,625
		<u>271,227</u>	<u>271,227</u>

8 Analysis of governance and support costs

Governance costs

	Unrestricted funds General £	Total 2024 £
Audit fees		
Audit of the financial statements	4,725	4,725
	<u>4,725</u>	<u>4,725</u>
	Unrestricted funds General £	Total 2023 £
Audit fees		
Audit of the financial statements	4,625	4,625
	<u>4,625</u>	<u>4,625</u>

Exeter Canal & Quay Trust Limited

Notes to the Financial Statements for the Year Ended 31 March 2024

9 Grant-making

Analysis of grants

Below are details of material grants made to institutions

Name of Institution	2024 £	2023 £
Exeter City Council - Jazz on the Quay	4,145	3,800
Exeter City Council - Custom House	90,000	68,790
Delta 88 - Rockin' on the Quay	-	770
Burn the Curtain - Captain Peacock Event	2,850	4,000
The South West Heritage Trust	4,000	-
Music in Devon Initiative	2,500	-
Other grants	-	16,250
	<u>103,495</u>	<u>93,610</u>

10 Net incoming/outgoing resources

Net outgoing resources for the year include:

	2024 £	2023 £
Audit fees	4,725	4,625
Depreciation of tangible fixed assets (heritage assets)	7,657	7,657
Amortisation of intangible assets	<u>5,280</u>	<u>5,280</u>

11 Net losses on investments

	Unrestricted funds General £	Total 2024 £
Gains/(losses) on investment properties	47,250	47,250
Gains/(losses) on listed investments	<u>(50,000)</u>	<u>(50,000)</u>
	<u>(2,750)</u>	<u>(2,750)</u>

Exeter Canal & Quay Trust Limited

Notes to the Financial Statements for the Year Ended 31 March 2024

	Unrestricted funds General £	Total 2023 £
Gains/(losses) on investment properties	(48,739)	(48,739)
Gains/(losses) on listed investments	<u>(60,000)</u>	<u>(60,000)</u>
	<u>(108,739)</u>	<u>(108,739)</u>

12 Trustees remuneration and expenses

No trustees, nor any persons connected with them, have received any remuneration from the charity during the year.

No trustees have received any reimbursed expenses or any other benefits from the charity during the year.

13 Staff costs

The aggregate payroll costs were as follows:

The charitable company had no employees during the year (2023: Nil).

The key management personnel of the charity comprise the Trustees. The total employee benefits of the key management personnel for the charity were £Nil (2023: Nil)

No employee received emoluments of more than £60,000 during the year.

14 Auditors' remuneration

	2024 £	2023 £
Audit of the financial statements	<u>4,725</u>	<u>4,625</u>

Exeter Canal & Quay Trust Limited

Notes to the Financial Statements for the Year Ended 31 March 2024

15 Taxation

The charity is a registered charity and is therefore exempt from taxation.

16 Intangible fixed assets

	Website £	Total £
Cost		
At 1 April 2023	26,400	26,400
At 31 March 2024	26,400	26,400
Amortisation		
At 1 April 2023	5,280	5,280
Charge for the year	5,280	5,280
At 31 March 2024	10,560	10,560
Net book value		
At 31 March 2024	15,840	15,840
At 31 March 2023	21,120	21,120

17 Heritage assets

	Long leasehold property £	Total £
Cost		
At 1 April 2023	698,672	698,672
At 31 March 2024	698,672	698,672
Depreciation		
At 1 April 2023	174,622	174,622
Charge for the year	7,657	7,657
At 31 March 2024	182,279	182,279
Net book value		
At 31 March 2024	516,393	516,393
At 31 March 2023	524,050	524,050

Exeter Canal & Quay Trust Limited

Notes to the Financial Statements for the Year Ended 31 March 2024

The charity's fixed assets are heritage assets which are held in pursuit of its preservation and conservation objectives. Assets held for own use are shown at cost. Investment properties, which are available for letting, are shown at market value. All of these heritage assets have been held for the last 5 years and are being depreciated in line with the length of the associated lease.

18 Fixed asset investments

	Investment properties £	Listed Investments £	Total £
Cost or Valuation			
At 1 April 2023	1,815,000	803,723	2,618,723
Additions	-	210,084	210,084
Revaluation	(50,000)	46,001	(3,999)
Disposals	-	(199,136)	(199,136)
At 31 March 2024	<u>1,765,000</u>	<u>860,672</u>	<u>2,625,672</u>
Net book value			
At 31 March 2024	<u>1,765,000</u>	<u>860,672</u>	<u>2,625,672</u>
At 31 March 2023	<u>1,815,000</u>	<u>803,723</u>	<u>803,723</u>

All investments shown above are held at valuation.

Investment properties

Investment properties were valued at 24 June 2024 at open market value by Vickery Holman, Property Consultants

Financial assets held at fair value

The charity holds a portfolio of investments. These are held at fair value, being their market value.

19 Debtors

	2024 £	2023 £
Trade debtors	10,028	17,634
Accrued income	2,115	2,198
Other debtors	<u>150,000</u>	<u>200,000</u>
	<u>162,143</u>	<u>219,832</u>

Exeter Canal & Quay Trust Limited

Notes to the Financial Statements for the Year Ended 31 March 2024

20 Cash and cash equivalents

	2024	2023
	£	£
Cash at bank	<u>688,792</u>	<u>943,547</u>

21 Creditors: amounts falling due within one year

	2024	2023
	£	£
Other taxation and social security	7,274	7,916
Other creditors	203,515	264,785
Accruals	30,748	22,009
Deferred Income	<u>57,807</u>	<u>59,299</u>
	<u>298,344</u>	<u>353,989</u>

Under the arrangements with Exeter City Council (ECC) and Devon County Council (DCC), DCC has paid the charity £305,000 in accordance with the terms of the relevant underlease.

The £305,000 is being released to the charity's income and expenditure account over the period of the lease, which is 150 years commencing in the year ended 31 March 2014. £2,000 has been recognised in the year ended 31 March 2024 (2023: £2,000)

The lease premium payable to ECC of £75,001 has been capitalised as long leasehold property and will be amortised over the lease period of 150 years commencing in the year ending 31 March 2015. £500 amortisation charge has been recognised in the year ended 31 March 2024 (2023: £500).

22 Creditors: amounts falling due after one year

	2024	2023
	£	£
Deferred Income	<u>281,000</u>	<u>283,000</u>

23 Deferred Income

	2024	2023
	£	£
Deferred income at 1 April 2023	342,299	343,310
Amounts released from previous periods	(3,492)	(2,000)
Resources deferred in the period	-	989
Deferred income at year end	<u>338,807</u>	<u>342,299</u>

Exeter Canal & Quay Trust Limited

Notes to the Financial Statements for the Year Ended 31 March 2024

24 Obligations under leases and hire purchase contracts

Operating lease commitments

As lessee

Total future minimum lease payments under non-cancellable operating leases are as follows:

	2024	2023
	£	£
Land and buildings		
Not later than 1 year	35,423	35,423
Later than 1 year and not later than 5 years	141,693	141,693
Later than 5 years	<u>638,196</u>	<u>673,619</u>
	<u>815,312</u>	<u>850,735</u>

As lessor

Total future minimum lease payments under non-cancellable operating leases are as follows:

	2024	2023
	£	£
Land and buildings		
Within one year	226,767	226,767
Between one and five years	726,198	726,198
After five years	<u>5,186,869</u>	<u>5,393,636</u>
	<u>6,119,834</u>	<u>6,346,601</u>

Exeter Canal & Quay Trust Limited

Notes to the Financial Statements for the Year Ended 31 March 2024

25 Funds

	Balance at 1 April 2023 £	Incoming resources £	Resources expended £	Transfers £	Other recognised gains/ (losses) £
Unrestricted funds					
General					
General Funds	1,824,548	352,947	(601,984)	450,000	(2,750)
Designated					
Community Fund	90,000	-	-	-	-
Property Sinking Fund	600,000	-	-	-	-
Exe Water Sports	400,000	-	-	(400,000)	-
One Off Project	300,000	-	-	(50,000)	-
Working General Fund	475,735	-	-	-	-
	<u>1,865,735</u>	<u>-</u>	<u>-</u>	<u>(450,000)</u>	<u>-</u>
Total funds	<u>3,690,283</u>	<u>352,947</u>	<u>(601,984)</u>	<u>-</u>	<u>(2,750)</u>
					Balance at 31 March 2024 £
Unrestricted funds					
General					
General Funds					2,022,761
Designated					
Community Fund					90,000
Property Sinking Fund					600,000
Exe Water Sports					-
One Off Project					250,000
Working General Fund					475,735
					<u>1,415,735</u>
Total funds					<u>3,438,496</u>

Exeter Canal & Quay Trust Limited

Notes to the Financial Statements for the Year Ended 31 March 2024

	Balance at 1 April 2022 £	Incoming resources £	Resources expended £	Other recognised gains/ (losses) £	Balance at 31 March 2023 £
Unrestricted funds					
General					
General Funds	2,095,648	306,245	(468,606)	(108,739)	1,824,548
Designated					
Community Fund	90,000	-	-	-	90,000
Property Sinking Fund	600,000	-	-	-	600,000
Exe Water Sports	400,000	-	-	-	400,000
One Off Project	300,000	-	-	-	300,000
Working General Fund	475,735	-	-	-	475,735
	<u>1,865,735</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,865,735</u>
Total funds	<u>3,961,383</u>	<u>306,245</u>	<u>(468,606)</u>	<u>(108,739)</u>	<u>3,690,283</u>

Fund descriptions

Community Fund
For providing £30k a year

Property Sinking Fund
An over-arching contingency fund

Exe Water Sports
Money pledged for Exe Water Sports Project

One Off Project
The likelihood that resources are sufficient for no more than one major project

Working General Fund
The Working General Fund is to provide a contingency fund to cover day to day expenses

Repairs Fund
The Repairs Fund is made up of money donated to the charity for specific repairs to be carried out on a property

A transfer of the total designated Exe Water Sports fund to the general fund has been made as the fund has been completely withdrawn by the Board. A transfer of £50,000 has been made from the One Off Project designated fund to reduce the fund carried forward to £250,000 to reflect the contribution agreed towards the Mallison Bridge Project (payable to Devon County Council).

Exeter Canal & Quay Trust Limited

Notes to the Financial Statements for the Year Ended 31 March 2024

26 Analysis of net assets between funds

	Unrestricted funds	Total funds at 31 March
	General	2024
	£	£
Intangible fixed assets	15,840	15,840
Heritage assets	516,393	516,393
Fixed asset investments	2,625,672	2,625,672
Current assets	860,935	860,935
Current liabilities	(299,344)	(299,344)
Creditors over 1 year	(281,000)	(281,000)
Total net assets	<u>3,438,496</u>	<u>3,438,496</u>
	Unrestricted funds	Total funds at 31 March
	General	2023
	£	£
Intangible fixed assets	21,120	21,120
Heritage assets	524,050	524,050
Fixed asset investments	2,618,723	2,618,723
Current assets	1,163,379	1,163,379
Current liabilities	(353,989)	(353,989)
Creditors over 1 year	(283,000)	(283,000)
Total net assets	<u>3,690,283</u>	<u>3,690,283</u>

27 Related party transactions

The charity is an associate of Exeter City Council (ECC). In the year ended 31 March 2024 ECC charged the charity £nil (2023: £10,820) in respect of management services, £42,776 (2023: £23,372) for rent, £94,145 (2023: £72,590) in respect of grants, £25,840 (2023: £20,300) for legal and professional fees, £19,050 (2023: £24,338) for maintenance and £1,726 (2023: £12,070) for other services. Exeter Canal and Quay charged Exeter City Council £475 (2023: £28,972) for rent and insurance recharges and £300 (2023: £1,926) for ticket sales.

Appendix 4
Exeter City Living Limited Business Plan Financial Year 2025-
26

Exeter City Living Ltd Business Plan Financial Year 2025-26

The purpose of this year's Business Plan is to set out a projection of the financial position of the business continuing to manage six residential flats in the Guildhall Shopping Centre. Exeter City Living's (ECL) ambition through proactive asset management is to provide quality residential property for the private rental market in Exeter and a long-term revenue stream for Exeter City Council (ECC).

The Business Plan for 2025-26 is seeking shareholder approval to continue business as usual in managing the six flats. A financial projection of activity in 2024-25 and the three year Business Plan period to end 2027-28 can be found in Appendix A – Financial Statements.

Financial Performance 2024-25

A Loss before Tax of £275 is forecast for 2024-25, based on reporting up to 4 December 2024 and anticipated activity for the remainder of the financial year. The net shareholder funds at the end of 2024-25 are forecast to be £117.0k (see Appendix A for the projected financial statements). The required ECL Management Fee to be retained from net rental proceeds to be distributed to ECC has been calculated to cover the costs of the business and to leave a nominal loss, funded by existing reserves, to avoid the business incurring a Corporation Tax liability. The required Management Fee to be retained from net rental proceeds has been calculated at 47.5% to cover business running costs in 2024-25 which are higher than anticipated in future years due to the transition from development activity to solely residential rental activity. The management fee is forecast to drop down to 20.25% from the Budget year of 2025-26 when the costs of the business will be solely related to the rental activity.

The main challenge facing ECL in the delivery of this business plan is if the management fee deducted from net rental proceeds before they are passed on to ECC is not sufficient to cover the costs ECL will incur that are variable and not controllable or reduced rental income is received. For example, should one or more of the flats require significant, high value works this cost would see a diminished return to ECL as the Management Fee is set to cover ECL's expected costs based on historic activity. ECL however has cash reserves in excess of £100k which would be available to service any unexpected, significant costs incurred.

Additionally, if one or more flats are unoccupied for a significant period this will erode the management fee income while rental income is not being earned. However, demand for property rental in Exeter remains high and the risk of a high level of void tenancy remains low.

The ECL Management Fee retained from the net rental proceeds distributed to ECC is to be reviewed annually in line with the Business Plan projections so that this income stream is optimised to the costs of the business and to minimise any Corporation Tax liability.

Budget 2025-26

The Budget year of 2025-26 forecasts a Loss before Tax of £208 and net shareholder funds of £116.8k as outlined in the financial projections set out in Appendix A.

Financial projections for rental income and associated rental and repairs and maintenance costs have been projected based on actual activity over the last 2 years. Inflation on rental income has been applied at 2.5% which is a conservative assumption but reflects that rental income rates increase periodically, generally due to a change in tenancy, rather than regularly on an annual basis.

Overheads which cover audit services and Insurance costs have been projected to increase by 3.5% in the Budget year 2025-26 and by 2.5% in 2026-27 and 2027-28. Non-Executive Director costs are expected to reduce to £6,000 per annum (inclusive of VAT) in the Budget from 2025-26 after a reduction in the number of Directors by the end of 2024-25. IT costs continue to be incurred in 2024-25 however the IT estate transfer to ECC's servers is forecast to be completed by the end of the financial year and therefore there are no costs forecast in 2025-26 and beyond.

Accounts for the prior year 2023-24 can be found in Appendix B. A comparison against the previous approved Business Plan 2022-23 has not been included as the Business Plan 2022-23 was projected on the basis of a continuing development business however this activity ceased in March 2024.

The Board approved this Business Plan on 19 December 2024.

Appendix A – Financial Statements

	2024-25	2025-26 (Budget)	2026-27	2027-28
	£	£	£	£
INCOME STATEMENT				
Turnover	0	0	0	0
Cost of Sales	(£18,252)	0	0	0
Gross Profit/(Loss)	18,252	0	0	0
Administrative Expenses	(£60,465)	(£14,882)	(£15,102)	(£15,328)
Other Operating Income	98,926	83,400	85,485	87,622
Other Operating Expense	(£68,023)	(£70,725)	(£72,493)	(£74,305)
Operating Profit/(Loss)	(£29,563)	(£2,208)	(£2,111)	(£2,011)
Interest Receivable	11,035	2,000	2,000	2,000
Profit/(Loss) before Tax	(£275)	(£208)	(£111)	(£11)
Corporation Tax	0	0	0	0
Profit/(Loss) after Tax	(£275)	(£208)	(£111)	(£11)
BALANCE SHEET				
WIP	0	0	0	0
Debtors	2,456	2,456	2,456	2,456
Cash	127,830	129,830	131,830	133,830
Current Assets	130,286	132,286	134,286	136,286
Creditors	(£13,326)	(£15,534)	(£17,644)	(£19,656)
Long term liabilities	0	0	0	0
Total Assets less Liabilities	116,959	116,752	116,641	116,630
Capital & Reserves				
Share Capital	1	1	1	1
Capital Contribution	4,392,332	4,392,332	4,392,332	4,392,332
P&L Account	(£4,275,373)	(£4,275,581)	(£4,275,691)	(£4,275,703)
Shareholders Funds	116,959	116,752	116,641	116,630
CASHFLOW STATEMENT				
Cash flows from operating activities				
Loss for the year	(£275)	(£208)	(£111)	(£11)
Finance income	(£11,035)	(£2,000)	(£2,000)	(£2,000)
Finance costs	0	0	0	0
Corporation Tax	0	0	0	0
	(£11,310)	(£2,208)	(£2,111)	(£2,011)
Working capital adjustments				
Increase in stocks	0	0	0	0
(Increase)/decrease in trade debtors	1,849	0	0	0
Increase/(decrease) in trade creditors	(£1,590,973)	2,208	2,111	2,011
Cash generated from operations	(£1,600,434)	0	0	0
Corporation Tax paid	0	0	0	0
Net cash flow from operating activities	(£1,600,434)	0	0	0
Cash flows from investing activities				
Interest received	11,035	2,000	2,000	2,000
Net cash flows from investing activities	11,035	2,000	2,000	2,000
Net increase/(decrease) in cash and cash equivalents	(£1,589,399)	2,000	2,000	2,000
Cash and cash equivalents at 1 April	1,717,229	127,830	129,830	131,830
Cash and cash equivalents at 31 March	127,830	129,830	131,830	133,830

Appendix 4a

Exeter City Living Limited Annual report and Financial
Statements

Exeter City Living Limited

**Annual Report and Financial Statements
Year Ended 31 March 2024**

Registration number: 11410540

Exeter City Living Limited

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Exeter City Living Limited

Company Information

Directors	R M Connolly
	C R A Kislingbury
	S E Edwards
	R J Hayman
Registered office	Exeter City Council Civic Centre Paris Street Exeter EX1 1JN
Auditors	PKF Francis Clark Statutory Auditor Centenary House Peninsula Park Rydon Lane Exeter EX2 7XE

Exeter City Living Limited

Directors' Report for the Year Ended 31 March 2024

The directors present their report and the financial statements for the year ended 31 March 2024.

Directors of the company

The directors who held office during the year were as follows:

R M Connolly

C R A Kislingbury

S A Forsey (resigned 31 March 2024)

S E Edwards

R J Hayman

Principal activity

The principal activity of the company during the year covered by this report was the construction and sale of new homes. Since the balance sheet date the principal activity is the management of properties.

Going concern

The Directors have obtained confirmation that the Shareholder will continue to provide financial and operational support to the company for the foreseeable future, being at least 12 months from approval of these financial statements. As such the directors believe the going concern basis is appropriate.

Disclosure of information to the auditors

Each director has taken steps that they ought to have taken as a director in order to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information. The directors confirm that there is no relevant information that they know of and of which they know the auditors are unaware.

Small companies provision statement

This report has been prepared in accordance with the special provisions relating to companies subject to the small companies regime within Part 15 of the Companies Act 2006.

Approved and authorised by the Board on ~~30th May 2024~~ and signed on its behalf by:



.....
R J Hayman
Director

Exeter City Living Limited

Statement of Directors' Responsibilities

The directors acknowledge their responsibilities for preparing the Annual Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Exeter City Living Limited

Independent Auditor's Report to the Members of Exeter City Living Limited

Opinion

We have audited the financial statements of Exeter City Living Limited (the 'company') for the year ended 31 March 2024, which comprise the Statement of Income and Retained Earnings, Balance Sheet, and Notes to the Financial Statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice) incorporating the requirements of Section 1A.

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 March 2024 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the auditor responsibilities for the audit of the financial statements section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the director's use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for a period of at least twelve months from when the original financial statements were authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

Other information

The directors are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Exeter City Living Limited

Independent Auditor's Report to the Members of Exeter City Living Limited

Opinion on other matter prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Directors' Report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of our knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the Directors' Report.

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the directors' report and from the requirement to prepare a strategic report.

Responsibilities of directors

As explained more fully in the Statement of Directors' Responsibilities set out on page 3, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditor Responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Exeter City Living Limited

Independent Auditor's Report to the Members of Exeter City Living Limited

During our audit planning, we gained an understanding of the company and the industry in which the company operates as part of this assessment to identify the key laws and regulations affecting the company. We identified the key regulations and principal risks of non-compliance with laws and regulations as relating to health and safety regulations, breaches of the General Data Protection Regulation ("GDPR") and the Construction, Design and Management Regulations. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the Companies Act 2006 and relevant tax legislation.

We discussed with management how the compliance with these laws and regulations is monitored and discussed policies and procedures in place. We also identified the individuals who have responsibility for ensuring that the company complies with laws and regulations and deals with reporting any issues if they arise. As part of our planning procedures, we assessed the risk of any non-compliance with laws and regulations on the company's ability to continue trading and the risk of material misstatement to the accounts.

Based on this understanding we designed our audit procedures to identify non-compliance with such laws and regulations. Our procedures involved the following:

- Enquiries of management regarding their knowledge of any non-compliance with laws and regulations that could affect the financial statements. As part of these enquiries we also discussed with management whether there have been any known instances of fraud, of which there were none.
- Reviewing the health and safety policy and discussion with management if any incidents have been reported during the year during the year under The Reporting of Injuries, Diseases and Dangerous Occurrences Regulations 2013 ("RIDDOR"), of which there were none.
- Reviewing of the GDPR policy and enquiries to management as to the occurrence and outcome of any reportable breaches.
- Examining the documentation relating to application of the Construction, Design and Management Regulations.
- Reviewing the board meeting minutes to identify and potential breaches in laws and regulations, of which there were none identified.
- Reviewing legal and professional costs to identify any possible non-compliance or legal costs in respect of non-compliance.
- Auditing the risk of management override of controls, including through testing journal entries and other adjustments for appropriateness, and evaluating the business rationale of significant transactions outside the normal course of business.
- Reviewing estimates and judgements made in the accounts for any indication of bias and challenged assumptions used by management in making the estimates.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements. This risk increases the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements as we are less likely to become aware of instances of non-compliance. The risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment, collusion, omission or misrepresentation.

Exeter City Living Limited

Independent Auditor's Report to the Members of Exeter City Living Limited

A further description of our responsibilities is available on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of our report

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

PKF Francis Clark

.....
Tom Beable (FCA) (Senior Statutory Auditor)
PKF Francis Clark, Statutory Auditor

Centenary House
Peninsula Park
Rydon Lane
Exeter
EX2 7XE

Date: 11 June 2024

Exeter City Living Limited

Statement of Income and Retained Earnings

Year Ended 31 March 2024

	Year ended 31 March 2024 £	Year ended 31 March 2023 £
Turnover	10,905,211	1,093,483
Cost of sales	<u>(10,249,987)</u>	<u>(954,710)</u>
Gross profit	655,224	138,773
Administrative expenses	(486,162)	(937,632)
Other operating income	66,524	54,120
Other operating expenses	<u>(65,366)</u>	<u>(106,682)</u>
Operating profit/(loss)	<u>170,220</u>	<u>(851,421)</u>
Other interest receivable and similar income	81,287	32,280
Interest payable and similar charges	<u>-</u>	<u>(446,539)</u>
	<u>81,287</u>	<u>(414,259)</u>
Profit/(loss) before tax	251,507	(1,265,680)
Taxation	<u>-</u>	<u>-</u>
Profit/(loss) for the financial year	251,507	(1,265,680)
Retained earnings brought forward	<u>(4,526,607)</u>	<u>(3,260,927)</u>
Retained earnings carried forward	<u><u>(4,275,100)</u></u>	<u><u>(4,526,607)</u></u>

The notes on pages 10 to 14 form an integral part of these financial statements.
Page 8

Exeter City Living Limited

Balance Sheet

31 March 2024

	Note	2024 £	2023 £
Current assets			
Stocks	4	-	4,041,019
Debtors	5	4,304	781,437
Cash at bank and in hand		<u>1,717,229</u>	<u>1,515,050</u>
		1,721,533	6,337,506
Creditors: Amounts falling due within one year	6	<u>(1,604,300)</u>	<u>(1,026,542)</u>
Total assets less current liabilities		117,233	5,310,964
Creditors: Amounts falling due after more than one year	6	<u>-</u>	<u>(9,837,570)</u>
Net assets/(liabilities)		<u>117,233</u>	<u>(4,526,606)</u>
Capital and reserves			
Called up share capital		1	1
Capital contribution reserves	7	4,392,332	-
Profit and loss account		<u>(4,275,100)</u>	<u>(4,526,607)</u>
Shareholders' funds/(deficit)		<u>117,233</u>	<u>(4,526,606)</u>

These financial statements have been prepared and delivered in accordance with the special provisions relating to companies subject to the small companies regime within Part 15 of the Companies Act 2006.

Approved and authorised by the Board on 30th May 2024 and signed on its behalf by:



R J Hayman
Director

Company Registration Number: 11410540

Exeter City Living Limited

Notes to the Financial Statements

Year Ended 31 March 2024

1 General information

The company is a private company limited by share capital, incorporated in England and Wales.

The address of its registered office is:

Exeter City Council
Civic Centre
Paris Street
Exeter
EX1 1JN

2 Accounting policies

Summary of significant accounting policies and key accounting estimates

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Statement of compliance

These financial statements have been prepared in accordance with Financial Reporting Standard 102 Section 1A - 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. There are no material departures.

Basis of preparation

These financial statements have been prepared using the historical cost convention.

The functional currency of Exeter City Living Limited is considered to be pounds sterling because that is the currency of the economic environment in which the company operates.

Going concern

The financial statements have been prepared on a going concern basis.

During the year ended 31 March 2024 a decision was made by the sole Shareholder (Exeter City Council), after an independent review, to wind down the company's operations significantly.

On the 26 March 2024 the Shareholder acquired all remaining work in progress of the company, settled via a reduction in the loan due to the Shareholder. A further payment was made from cash towards the Shareholder loan. The work in progress and cash transferred did not cover the total loan amount due to the Shareholder. The remaining amount due to the Shareholder was waived on 26 March 2024 by the Shareholder and treated as a capital contribution.

The company will continue in a much-reduced capacity for the purpose of managing six leasehold properties.

The Directors have obtained confirmation that the Shareholder will continue to provide financial and operational support to the company for the foreseeable future, being at least 12 months from approval of these financial statements.

As such the directors believe the going concern basis is appropriate.

Exeter City Living Limited

Notes to the Financial Statements

Year Ended 31 March 2024

Key sources of estimation uncertainty

Management have applied judgement in respect of the following sources of estimation uncertainty at the end of the reporting period, for which there is a risk of resulting in a material adjustment to the carrying amounts of assets and liabilities, as follows:

Realisable value of work in progress

Work in progress is valued at the lower of cost and net realisable value. The net realisable value is calculated based on appraisals of site viability which during uncertain times can fluctuate and may lead to material movements. Included within work in progress is £nil (2023: £3,386k) in relation to a development site, where the carrying value is supported by market valuations of the land.

Estimation of market values

ECL appraises the future income expected from the sale of the Open Market homes it builds using its assessment of the current market data for the value of comparable dwellings available for sale or sold in a similar location. This assessment will be adjusted during the course of the development based on changes in market conditions or on evidence of achieved sales.

Revenue recognition

Turnover comprises the fair value of the consideration received or receivable for the sale of goods and provision of services in the ordinary course of the company's activities. Turnover is shown net of value added tax, returns, rebates and discounts.

Turnover and profit on the sale of residential property is recognised on the legal completion date. Turnover from development management services is recognised as the services are provided.

Tax

Tax is recognised in profit or loss, except that a change attributable to an item of income or expense recognised as other comprehensive income is also recognised directly in other comprehensive income.

The current corporation tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date.

Borrowing costs

Borrowing costs incurred during the period are recognised in the profit and loss account as they are incurred.

Stocks

Stock of land and work in progress are stated at the lower of cost price and net realisable value.

Exeter City Living Limited

Notes to the Financial Statements

Year Ended 31 March 2024

Financial instruments

Classification

The company holds the following financial instruments:

- Short term trade and other debtors and creditors;
- Other loans; and
- Cash and bank balances.

All financial instruments are classified as basic.

Recognition and measurement

The company has chosen to apply the recognition and measurement principles in FRS102.

Financial instruments are recognised when the company becomes party to the contractual provisions of the instrument and derecognised when in the case of assets, the contractual rights to cash flows from the assets expire or substantially all the risks and rewards of ownership are transferred to another party, or in the case of liabilities, when the company's obligations are discharged, expire or are cancelled.

Except for other loans, such instruments are initially measured at transaction price, including transaction costs, and are subsequently carried at the undiscounted amount of the cash or other consideration expected to be paid or received, after taking account of impairment adjustments.

Other loans are initially measured at transaction price, including transaction costs, and are subsequently carried at amortised cost using the effective interest method.

3 Staff numbers

The average number of persons employed by the company during the year was 2 (2023: 2).

4 Stocks

	2024 £	2023 £
Work in progress	-	4,041,019

5 Debtors

	2024 £	2023 £
Trade debtors	1,193	50,000
Other debtors	661	112,524
Prepayments and accrued income	2,450	618,913
	4,304	781,437

Exeter City Living Limited

Notes to the Financial Statements

Year Ended 31 March 2024

6 Creditors

	2024 £	2023 £
Due within one year		
Loans and borrowings	-	258,769
Trade creditors	716,421	-
Social security and other taxes	776,316	733
Other creditors	125	125
Accrued expenses	111,438	766,915
	<u>1,604,300</u>	<u>1,026,542</u>
	2024 £	2023 £
Due after one year		
Loans and borrowings	<u>-</u>	<u>9,837,570</u>

In the prior year, loans and borrowings represented three loan amounts due to the ultimate parent. The first loan charged interest at a rate of 5% per annum. Capital and interest payments were made every six months. The capital was due to be repaid by 31 March 2044. The capital due for repayment in more than 5 years was £3,309,249.

The second loan charged interest at 4.94% per annum. Capital and interest payments were made every six months. The capital was to be repaid by 31 March 2045. The capital due for repayment in more than 5 years was £3,993,472.

The third loan charged interest at 6.77% per annum. Capital and interest payments were made annually. The capital was to be repaid by 31 March 2048. The capital due for repayment in more than 5 years was £1,359,694.

During the year these loans were partially settled via the sale of work in progress and cash transferred to the ultimate parent. The remaining amount not covered was waived by the ultimate parent and has been treated as a capital contribution.

7 Reserves

The capital contribution reserve represents loan balances waived by the ultimate parent.

Exeter City Living Limited

Notes to the Financial Statements

Year Ended 31 March 2024

8 Financial commitments

Lease arrangement

There is a lease in place for six rental properties where Exeter City Living Limited receives income and pays expenses, retaining 2% of the net rental income. This arrangement is in connection with Exeter City Council, a related party. In the current year, other operating income in relation to this lease was £66,524 and other operating expenses were £65,366. The term of this arrangement is 10 years.

9 Ultimate parent undertaking

The parent entity preparing consolidated accounts including the company is Exeter City Council.

The registered office of Exeter City Council is that of Exeter City Living Limited as disclosed in note 1.

Appendix 5

Exeter Business Centre Memorandum of Association



COMPANIES FORM No. 12

**Statutory Declaration of compliance
with requirements on application
for registration of a company****12**Please do not
write in
this margin

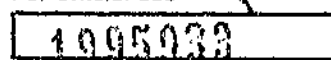
Pursuant to section 12(3) of the Companies Act 1985

Please complete
legibly, preferably
in block type, or
bold block lettering

To the Registrar of Companies

For official use

For official use



Name of company

* EXETER WORKSHOPS LIMITED

* Insert full
name of Company

I, ANTHONY EDWARD CHARLES LLOYD
of MESSRS. STONES, SOLICITORS, NORTHERNHAY PLACE, EXETER, DEVON, EX4 3QQ,

I declare as
appropriate

do solemnly and sincerely declare that I am a [Solicitor engaged in the formation of the company]†
and a person
person-named as director or secretary of the company in the statement delivered to the registrar
under section 10(2)† and that all the requirements of the above Act in respect of the registration of the
above company and of matters precedent and incidental to it have been complied with,
And I make this solemn declaration conscientiously believing the same to be true and by virtue of the
provisions of the Statutory Declarations Act 1835

Declared at Exeter in the
County of Devon

Declarant to sign below

the Fifth day of February
One thousand nine hundred and eighty six
before me [Signature]

A Commissioner for Oaths or Notary Public or Justice of
the Peace or Solicitor having the powers conferred on a
Commissioner for Oaths.

Presenter's name address and
reference (if any):

MESSRS. STONES,
NORTHERNHAY PLACE,
EXETER,
DEVON. EX4 3QQ.

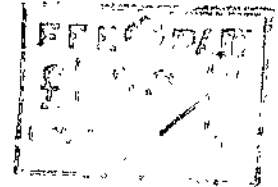
Ref: AL.

For official Use
New Companies Section

Post room



17/2
21/01/1985
COMPANY LIMITED BY GUARANTEE
AND NOT BY SHARES
THE COMPANIES ACT 1985



1995933

MEMORANDUM OF ASSOCIATION
of

EXETER WORKSHOPS LIMITED



1. The name of the company (hereinafter called "the Company") is Exeter Workshops Limited.
2. The registered office of the Company will be situate in England.
3. The objects for which the Company is established are:
 - (1) To provide on licence or on lease industrial and commercial work spaces of any kind including small workshops, studios, offices, yards, or other premises or land to new sole traders, infant businesses, and small firms, whether corporate or incorporate
 - (2) To create and develop enterprise centres with or without shared estate or management services to promote opportunities by any means for the exchange of information between small and new businesses, to promote by means of publicity, advertising or other publications the goods and services of small and new businesses, to provide consultancy services to assist small businesses in establishing themselves and in the production storage, distribution, marketing and sale of their goods and services and generally to assist, promote and advise on the establishment and development of small new-start businesses and all other entrepreneurial activities in the industrial and commercial fields.

- (3) To promote and sponsor schemes designed to provide training and work experience for unemployed young people and adults, promote investment in training and work experience schemes and in entrepreneurial endeavour by incipient businesses and inventors.
- (4) To purchase, take on lease or in exchange, hire or otherwise acquire any real and personal estate which may be deemed necessary or convenient for any of the purposes of the Company.
- (5) To develop, construct, maintain, and alter any warehouses, industrial premises, houses, buildings, or works necessary or convenient for the purposes of the Company;
- (6) To take any gift of property, whether subject to any special trust or not, for any one or more of the objects of the Company;
- (7) To take such steps by personal or written appeals, public meetings, or otherwise, as may from time to time be deemed expedient for the purpose of procuring contributions to the funds of the Company, in the shape of donations, annual subscriptions, guarantees of the Company's obligations to third parties or otherwise;
- (8) To print and publish any newspapers, periodicals, books or leaflets that the Company may think desirable for the promotion of its objects;
- (9) To sell, manage, lease, mortgage, dispose of, or otherwise deal with all or any part of the property of the Company;
- (10) To borrow and raise money in such manner as the Company may think fit.

- (11) To carry on business as secretaries, business and office managers, and as telephone operators;
- (12) To invest the monies of the Company not immediately required for its purposes in or upon such investments, securities or property as may be thought fit.
- (13) To undertake and execute any trusts or any agency business which may seem directly or indirectly conducive to any of the objects of the Company;
- (14) To provide a superannuation fund for the servants of the Company, or otherwise to assist any such servants, their widows and children;
- (15) To establish and support, and to aid in the establishment and support of, any other institutions, companies or associations formed for all or any of the objects of this Company;
- (16) To amalgamate with any companies, institutions, societies or associations having objects altogether or in part similar to those of this Company;
- (17) To purchase or otherwise acquire and undertake all or any part of the property, assets, liabilities and engagements of any one or more of the companies, institutions, societies or associations with which this Company is authorised to amalgamate;
- (18) To transfer or dispose of all or any part of the property, assets, liabilities and engagements of the Company upon such terms as the

Company may see fit to accept.

- (19) To do all such other lawful things as are incidental or conducive to the attainment of the above objects or any of them.

PROVIDED THAT

The Company shall not support with its funds any object, or endeavour to impose on or procure to be observed by its members or others, any regulation, restriction or condition which if an object of the Company would make it a trade union;

4. The income and property of the Company, whencesoever derived, shall be applied solely towards the promotion of the objects of the Company as set forth in this memorandum of association, and no portion thereof shall be paid or transferred directly or indirectly, by way of dividend, bonus, or otherwise howsoever by way of profit, to the members of the Company.

PROVIDED THAT nothing herein shall prevent the payment, in good faith, of reasonable and proper remuneration to any officer or servant of the Company, or to any member of the Company, in return for any services actually rendered to the Company, nor prevent the payment of interest at reasonable commercial rates on money lent, or reasonable and proper rent for premises demised or let by any member to the Company; nor the repayment of any loan or grant made to the Company by any member nor the repayment to any member of any sum paid for such member for or on account of Company whether under a guarantee or otherwise.

5. The liability of the members is limited. /

6. Every member of the Company undertakes to contribute such amount as may be required (not exceeding £100) to the Company's assets if it should be wound up while he is still a member or within one year after he ceases to be a member, for payment of the Company's debts and liabilities contracted before he ceases to be a member, and of the costs, charges and expenses of winding up, and for the adjustment of the rights of the Contributories among themselves.
7. If upon the winding up or dissolution of the Company there remains, after the satisfaction of all its debts and liabilities, any property whatsoever, the same shall not be paid to or distributed among the members of the Company, but shall be given or transferred to some other institution or institutions, having objects similar to the objects of the Company, and which shall prohibit the distribution of its or their income and property among its or their members to an extent at least as great as is imposed on the Company under or by virtue of clause 4 hereof, such institution or institutions to be determined by the members of the Company at or before the time of dissolution, and if and so far as effect cannot be given to such provision then to some charitable object.

WE, the several persons whose names and addresses are subscribed, are desirous of being formed into a Company in pursuance of this memorandum of association

NAMES, ADDRESSES AND DESCRIPTIONS OF SUBSCRIBERS

RL

(BERNARD FROWD) /

for and on behalf of and as
agent for the Subscriber,
Exeter City Council, The
Civic Centre, Exeter, Devon

Whitehead.

(IAN MARTIN WHITEHEAD) /

for and on behalf of and as
agent for the Subscriber,
Exeter Enterprise Agency
Limited, Equitable Life House,
31 Southernhay East, Exeter,
Devon

DATED the

5th

day of *February* 1986 /

WITNESS to the above signatures:

John (A.E.C. Lloyd) /

Schiller

M/S Stones.

Exeter.

THE COMPANIES ACT 1985

COMPANY LIMITED BY GUARANTEE AND NOT HAVING A SHARE CAPITAL.

ARTICLES OF ASSOCIATION OF EXETER WORKSHOPS LIMITED.

1195933

Interpretation

1. In these Articles :

"the Act"	means the Companies Act 1985
"the Board"	means the Board of Management as established hereunder
"the Seal"	means the Common Seal of the Company
"Secretary"	means any person appointed to perform the duties of the Secretary of the Company
"the United Kingdom"	means Great Britain and Northern Ireland

Expressions referring to writing shall unless the contrary intention appears, be construed as including references to printing, lithography, photography, and other modes of representing or reproducing words in a visible form.

Unless the context otherwise requires words or expressions contained in these Articles shall bear the same meanings as in the Act or any statutory modification thereof in force at the date at which these Articles become binding on the Company.

MEMBERS

2. The Subscribers to the Memorandum of Association and such other persons as the Subscribers with the prior approval of the Board shall unanimously admit to membership shall be members of the Company. The number of members, with which the Company proposes to be registered is two but the Directors may from time to time register an increase in

members.

GENERAL MEETINGS

3. The Company shall in each year hold a general meeting as its annual general meeting in addition to any other meetings in that year, and shall specify the meeting as such in the notices calling it; and not more than fifteen months shall elapse between the date of one annual general meeting of the Company and that of the next. Provided that so long as the company holds its first annual general meeting within eighteen months of its incorporation it need not hold it in the year of its incorporation or in the following year. The annual general meeting shall be held at such time and place as the directors may appoint.
4. All general meetings other than annual general meetings shall be called extraordinary general meetings.
5. The Board may, whenever they think fit, convene an extraordinary general meeting and extraordinary general meetings shall also be convened on such requisition or in default may be convened by such requisitionists as provided by Section 368 of the Act. If at any time there are not within the United Kingdom sufficient members of the Board capable of acting to form a quorum, any member of the Board or any member of the Company may convene an extraordinary general meeting in the same manner as nearly as possible to that in which meetings may be convened by the Board.

NOTICE OF GENERAL MEETINGS

6. An annual general meeting and a meeting called for the passing of a special resolution shall be called by twenty-one days notice in writing at the least and a meeting of the Company other than an annual general meeting or a meeting for the passing of a special resolution shall be called by fourteen days notice in writing at the least. The notice shall be exclusive of the day on which it is served or deemed to be served and of the day for which it is given, and shall specify the

place, the day and the hour of the meeting and in case of special business the general nature of that business and shall be given in manner hereinafter mentioned or in such other manner, if any, as may be prescribed by the Company in general meeting to such persons as are, under the Articles of the Company, entitled to receive such notices from the Company :

PROVIDED that a meeting of the Company shall notwithstanding that it is called by shorter notice than that specified in this article be deemed to have been duly called it is so agreed :-

- (a) in the case of a meeting called as the annual general meeting by all the members entitled to attend and vote thereat : and
 - (b) in the case of any other meeting by a majority in number of the members having a right to attend and vote at the meeting being a majority together representing not less than ninety-five per cent of the total voting rights at that meeting of all the members.
7. The accidental omission to give notice of a meeting to, or the non-receipt of notice of a meeting by, any person entitled to receive notice shall not invalidate the proceedings at that meeting.

PROCEEDINGS AT GENERAL MEETINGS

8. All business shall be deemed special that is transacted at an extraordinary general meeting, and also all that is transacted at an annual general meeting with the exception of the consideration of the accounts, balance sheets, and the reports of the Board and auditors the election of members of the Board in the place of those retiring and the appointment of, and the fixing of the remuneration of the auditors.
9. No business shall be transacted at any general meeting unless a quorum of members is present at the time when the meeting proceeds to business; save as herein otherwise provided, two persons entitled to vote upon the business to be transacted, each being a member or a

proxy for a member or a duly authorised representative of a corporation, shall be a quorum.

10. If within half an hour from the time appointed for the meeting a quorum is not present, the meeting if convened upon the requisition of members, shall be dissolved; in any other case it shall stand adjourned to the same day in the next week at the same time and place, or to such other day and at such other time and place as the Board may determine and if at the adjourned meeting a quorum is not present within half an hour from the time appointed for the meeting the members present in person or by proxy or as a duly authorised representative of a corporation shall be a quorum.
11. The chairman if any, of the Board shall preside as chairman at every general meeting of the company, or if there is no such chairman or if he shall not be present within fifteen minutes after the time appointed for the holding of the meeting or is unwilling to act the members of the Board present shall elect one of their number to be chairman of the meeting.
12. If at any meeting no member of the Board is willing to act as chairman or if no such member is present within fifteen minutes after the time appointed for holding the meeting the members present in person or by proxy or as duly authorised representative of a corporation shall choose one of their number to be chairman of the meeting.
13. The Chairman may, with the consent of any meeting at which a quorum is present (and shall if so directed by the meeting) adjourn the meeting from time to time and from place to place, but no business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place. When a meeting is adjourned for thirty days or more notice of the adjourned meeting shall be given as in the case of an original meeting. Save as aforesaid it shall not be necessary to give any notice of an

adjournment or of the business to be transacted at an adjourned meeting.

14. At any general meeting a resolution put to the vote of the meeting shall be decided on a show of hands unless a poll is (before or on the declaration of the result of the show of hands) demanded :-

(a) by the chairman; or

(b) by any member or as a duly authorised representative of a corporation present in person or by proxy

Unless a poll be so demanded a declaration by the chairman that a resolution has on a show of hands been carried or carried unanimously or by a particular majority, or lost and an entry to that effect in the book containing the minutes of proceedings of the company shall be conclusive evidence of the fact without proof of the number or proportion of the votes recorded in favour of or against such resolution.

The demand for a poll may be withdrawn.

15. Except as provided in Article 17 if a poll is duly demanded it shall be taken in such manner as the chairman directs and the result of the poll shall be deemed to be the resolution of the meeting at which the poll was demanded.
16. In the case of an equality of votes, whether on a show of hands or on a poll, the chairman of the meeting at which the show of hands takes place or at which the poll is demanded shall be entitled to a second or casting vote.
17. A poll demanded on the election of a chairman or on a question of adjournment shall be taken forthwith. A poll demanded on any other question shall be taken at such time as the chairman of the meeting directs, and any business other than that upon which a poll has been demanded may be proceeded with pending the taking of the poll.
18. Subject to the provisions of the Act a resolution in writing signed by

all the members for the time being entitled to receive notice of and to attend and vote at general meetings (or being corporations by their duly authorised representative) shall be as valid and effective as if the same had been passed at a general meeting of the company duly convened and held.

VOTES OF MEMBERS

19. Every member shall have one vote.
20. No member shall be entitled to vote at any general meeting unless all moneys presently payable by him to the company have been paid.
21. On a poll votes may be given either personally or by proxy.
22. The instrument appointing a proxy shall be in writing under the hand of the appointer or of his attorney duly authorised in writing, or if the appointer is a corporation, either under seal or under the hand of an officer or attorney duly authorised. A proxy need not be a member of the company.
23. The instrument appointing a proxy and the power of attorney or other authority, if any, under which it is signed or a notarially certified copy of that power or authority shall be deposited at the registered office of the company or at such other place within the United Kingdom as is specified for that purpose in the notice convening the meeting, not less than forty-eight hours before the time for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote, or in the case of a poll, not less than twenty-four hours before the time appointed for the taking of the poll and in default the instrument of proxy shall not be treated as valid.
24. An instrument appointing a proxy shall be in the following form or a form as near thereto as circumstances admit :-

"EXETER WORKSHOPS LIMITED"

I (We)	of	in
the County of	being a member (members) of the above named	
company hereby appoint	of	as

my (our) proxy to vote for me (us) on my (our) behalf at the annual (extraordinary) general meeting of the company to be held on the day of _____ and at any adjournment thereof.

Signed this _____ day of _____

25. Where it is desired to afford members an opportunity of voting for or against a resolution the instrument appointing a proxy shall be in the following form or a form as near thereto as circumstances admit :-

"EXETER WORKSHOPS LIMITED

I (WE) _____ of _____ in the County of _____ being a member (members) of the above named Company hereby appoint _____ of _____ or failing him _____ of _____ as my (our) proxy to vote for me (us) on my (our) behalf at the annual (extraordinary) general meeting of the company to be held on the _____ day of _____ and at any adjournment thereof.

Signed this _____ day of _____ .

This form is to be used in favour of / against * the resolution.

Unless otherwise instructed the proxy will vote as he thinks fit.

* Strike out whichever is not desired.

26. The instrument appointing a proxy shall be deemed to confer authority to demand or join in demanding a poll.
27. A vote given in accordance with the terms of an instrument of proxy shall be valid notwithstanding the previous death or insanity of the principal or revocation of the proxy or of the authority under which the proxy was executed, provided that no intimation in writing of such death insanity or revocation as aforesaid shall have been received by the company at the office before the commencement of the meeting or adjourned meeting at which the proxy is used.

CORPORATIONS ACTING BY REPRESENTATIVES AT MEETINGS

28. Any corporation which is a member of the company may by resolution of

its directors or other governing body authorise such person as it thinks fit to act as its representative at any meeting of the company, and the person so authorised shall be entitled to exercise the same powers on behalf of the corporation which he represents as that corporation could exercise if it were an individual member of the company.

APPOINTMENT OF BOARD OF MANAGEMENT

29. (a) There shall be no more than eight members of the Board of Management of whom not more than four shall be appointed by Exeter City Council ("the 'A' Members") and not more than four shall be appointed by Exeter Enterprise Agency ("the 'B' Members")
- (b) The Chairman of the Board and of the Company shall be appointed by and shall at any time be one of the 'A' Members. The Chairman shall have a casting vote at meetings of the Board.
- (c) The Exeter City Council in respect of any of the 'A' Members and Exeter Enterprise Agency Limited in respect of any of the 'B' Members may terminate the membership of the Board of any of the 'A' Members or of the 'B' Members respectively by notice in writing to that effect delivered or sent to the Registered Office of the Company
- (d) On any 'A' Member ceasing to be a Member of the Board for any reason Exeter City Council may appoint a member of the Board in place of such 'A' member and on any 'B' Member ceasing to be a member of the Board for any reason Exeter Enterprise Agency Limited may appoint a member of the Board in place of such 'B' member.

POWERS AND DUTIES OF BOARD OF MANAGEMENT

31. The business of the Company shall be managed by the Board of Management who may pay all expenses incurred in promoting and registering the company, and may exercise all such powers of the company as are not, by

these Articles and to such regulations being not inconsistent with the aforesaid provisions as may be prescribed by the company in general meeting; but no regulation made by the company in general meeting shall invalidate any prior act of the Board which would have been valid if that regulation had not been made.

32. All cheques promissory notes, drafts, bills of exchange and other negotiable instruments and all receipts for moneys paid to the company, shall be signed drawn accepted endorsed or otherwise executed as the case may be in such manner as the directors shall from time to time by resolution determine.

33. The Board shall cause minutes to be made in books provided for the purpose :-

- (a) of all appointments of officers made by the Board
- (b) of the names of the members of the Board present at each meeting of the Board and of any committee of the Board
- (c) of all resolutions and proceedings at all meetings of the company and of the Board and of committees of Board ;

and every member of the Board present at any meeting of the Board or committee of the Board shall sign his name in a book to be kept for that purpose.

DISQUALIFICATION OF MEMBERS OF BOARD OF MANAGEMENT

34. The office of a member of the Board shall be vacated if the member of the Board :-

- (a) becomes bankrupt or makes any arrangement or composition with his creditors generally ; or
- (b) becomes prohibited from being a director of a Company by reason of any order made under Sections 296 to 300 of the Act ; or
- (c) becomes of unsound mind ; or
- (d) resigns his office by notice in writing to the company ; or
- (e) ceases to be a director or member of the Board by virtue of

any provision of the Act

A member of the Board shall not vote in respect of any contract in which he is interested or any matter arising thereout, and if he does so vote his vote shall not be counted.

PROCEEDINGS OF BOARD OF MANAGEMENT

35. The Board may meet together for the despatch of business adjourn and otherwise regulate their meetings, as they think fit. Questions arising at any meeting shall be decided by a majority of votes. In the case of an equality of votes the chairman shall have a second or casting vote. A member of the Board may, and the secretary on the requisition of a member of the Board shall, at any time summon a meeting of the Board. It shall not be necessary to give notice of a meeting of the Board to any member of the Board for the time being absent from the United Kingdom.
36. The quorum necessary for the transaction of the business of the Board shall be at least one 'A' Member and one 'B' Member
37. Notwithstanding Article 36 should the number of directors fall below three the continuing members of the Board may act until such time as replacement members are appointed under provisions of these Articles.
38. If at any meeting the chairman is not present within five minutes after the time appointed for holding the same the 'A' Members present may choose one of their number to be chairman of the meeting.
39. The Board may delegate any of its powers to committees consisting of such member or members of their body as they think fit. Such a committee may be a managing committee and the Board may entrust to and confer upon any such committee or the managing committee any of the powers exerciseable by the Board upon such terms and conditions and with such restrictions as the Board may think fit

and either collaterally with or to the exclusion of their own powers and the Board may from time to time revoke, withdraw, alter or vary all or any of such powers.

40. A committee may elect a chairman of its meetings; if no such chairman is elected or if at any meeting the chairman is not present within five minutes after the time appointed for holding the same, the members present may choose one of their number to be chairman of the meeting.
41. A committee may meet and adjourn as it thinks proper. Questions arising at any meeting shall be determined by a majority of votes of the members present, and in case of an equality of votes the chairman shall have a second or casting vote.
42. All acts done by any meeting of the Board or of a committee of Board or by any person acting as a member of the Board notwithstanding that it be afterwards discovered that there was some defect in the appointment of any such member of the Board or persons acting as aforesaid or that they or any of them were disqualified be as valid as if every such person had been duly appointed and was qualified to be a member of the Board.
43. A resolution in writing signed by all the members of the Board for the time being entitled to receive notice of a meeting of the Board shall be as valid and effectual as if it had been passed at a meeting of the Board duly convened and held.

GENERAL MANAGER

44. The Board may from time to time appoint a General Manager for such period and on such terms as they think fit and, subject to the terms of any agreement entered into in any particular case, may revoke such appointment.
45. The Board may entrust to and confer upon a General Manager any of the powers exerciseable by them upon such restricted conditions and

with such restrictions as they think fit and either collaterally with or to the exclusion of their own powers and may from time to time revoke, withdraw, alter or vary all or any of such powers.

SECRETARY

46. The secretary shall be appointed by the Board for such term at such remuneration and upon such conditions as they may think fit; and any secretary so appointed by them may be removed by them.
47. A provision of the Act or these articles requiring or authorising a thing to be done by or to a member of the Board and the secretary shall not be satisfied by its being done by or to the same person acting both as member of the Board and as, or in place, of the secretary.

THE SEAL

48. The Board shall provide for the safe custody of the seal which shall only be used by the authority of the Board or a committee of the Board authorised by the Board in that behalf, and every instrument to which the seal shall be affixed shall be signed by a member of the Board and shall be countersigned by the secretary or by a second member of the Board or by some other person appointed by the Board for the purpose

ACCOUNTS

49. The Board shall cause proper books of account to be kept with respect to:-

- (a) all sums of money received and expended by the company and the matters in respect of which the receipt and expenditure takes place;
- (b) all sales and purchases of goods by the company;
- (c) the assets and liabilities of the company.

Proper books shall not be deemed to be kept if there are not kept such books of account as are necessary to give a true and fair

view of the state of the company's affairs and explain its transactions.

50. The books of account shall be kept at the registered office of the company or, subject to section 222 of the Act at such other place or places as the Board think fit and shall always be open to the Board or any member thereof.
51. The Board shall from time to time determine whether and to what extent and at what times and places and under what conditions or regulations the accounts and books of the company or any of them shall be open to the inspection of members not being members of the Board and and no member (not being a member of the Board) shall have any right of inspecting any account or book or document of the company except as conferred by statute or authorised by the Board or by the company in general meeting.
52. The Board shall from time to time in accordance with the provisions of the Act cause to be prepared and to be laid before the company in general meeting such as profit and loss accounts balance sheets group accounts (if any) and reports as are referred to in the Act.
53. A copy of every balance sheet (including every document required by law to be annexed thereto) which is to be laid before the company in general meeting together with a copy of the auditors report shall not less than twenty-one days before the date of the meeting be sent to every member of the company provided that this article shall not require a copy of those documents to be sent to any person of whose address the company is not aware.

AUDIT

54. Auditors shall be appointed and their duties regulated in accordance with the Act.

NOTICES

55. A notice may be given by the company to any member either personally or by sending it in the post to him or his registered address or (if he has no registered address within the United Kingdom) to the address, if any, within the United Kingdom supplied by him to the company for the giving of notice to him. Where a notice is sent by post service of the notice shall be deemed to be effective by properly addressing, prepaying and posting a letter containing this notice and to have been effected in the case of a notice of meeting at the expiration of twenty-four hours after the letter containing the same is posted and in any other case at the time at which the letter would be delivered in the ordinary course of post.

56. Notice of every general meeting shall be given in any manner hereinbefore authorised to:-

(a) every member except those members who (having no registered address within the United Kingdom) have not supplied to the company an address within the United Kingdom for the giving of notices to them;

(b) every person being a legal personal representative or a trustee in bankruptcy of a member where the member but for his death or bankruptcy would be entitled to receive notice of the meeting; and

(c) the auditor for the time being of the company.

No other person shall be entitled to receive notices of general meetings.

We the several persons whose names and addresses are subscribed are desirous of being formed into a company in pursuance of these Articles of Association.

Names, addresses and descriptions of subscribers;

BWZ

(BERNARD FROWD)

For and on behalf of
and as agent for the Subscriber
Exeter City Council

M Whitehead (IAN MARTIN WHITEHEAD)

For and on behalf of and as agent
for the Subscriber Exeter Enterprise Agency
Limited

Dated this 5th day of February 1986

Witness to the above signatures.

A. E. C. Lloyd
Solicitor

17/2 Stones,

EXETER.

G

COMPANIES FORM No. 10

Statement of first directors
and secretary and intended
situation of registered office

10

Please do not
write in
this margin

Pursuant to section 10 of the Companies Act 1985

To the Registrar of Companies

Please complete
legibly, preferably
in black type, or
bold block lettering

For official use

1995033

Name of company

EXETER WORKSHOPS LIMITED

* insert full name
of company

The intended situation of the registered office of the company on incorporation is as stated below

6 NORTHERNHAY PLACE, EXETER, DEVON, EX4 3QQ

Postcode EX4 3QQ.

If the memorandum is delivered by an agent for the subscribers of the
memorandum please mark 'X' in the box opposite and insert
the agent's name and address below

☐

MESSRS. STONES,
SOLICITORS,
NORTHERNHAY PLACE, EXETER, DEVON.

Postcode EX4 3QQ.

Number of continuation sheets attached (see note 1)

☐

Presenter's name address and
reference (if any):

Stones,
Northernhay Place,
Exeter, EX4 3QQ,
Devon.

Ref: AL

For official Use
General Section

Post return



The name(s) and particulars of the person who is, or the persons who are, to be the first director or directors of the company (note 2) are as follows:

Please draw water in this margin

Name (note 3) IAN MARTIN WHITEHEAD		Business occupation Chartered Accountant
Previous name(s) (note 3) None		Nationality British
Address (note 4) SOUTHERNHAY HOUSE, 36 SOUTHERNHAY EAST, EXETER, DEVON.		Date of birth (where applicable) (note 6)
Postcode		
Other directorships † EXETER ENTERPRISE AGENCY LIMITED		
I consent to act as director of the company named on page 1		
Signature <i>IM Whitehead</i>		Date 5/2/86

Enter particulars of other directorships held or proposed (see note 1) if this space is insufficient or continuation

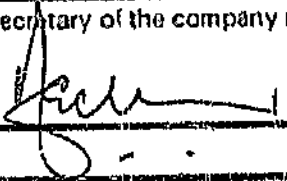
Name (note 3) BERNARD FROWD		Business occupation CHIEF EXECUTIVE
Previous name(s) (note 3) N/A.		Nationality BRITISH.
Address (note 4) CIVIC CENTRE, EXETER, DEVON.		Date of birth (where applicable) (note 6) N/A.
Postcode		
Other directorships † EXETER ENTERPRISE AGENCY LIMITED		
I consent to act as director of the company named on page 1		
Signature <i>BFW</i>		Date 5/2/86

Name (note 3)		Business occupation
Previous name(s) (note 3)		Nationality
Address (note 4)		Date of birth (where applicable) (note 6)
Postcode		
Other directorships †		
I consent to act as director of the company named on page 1		
Signature		Date

Please do not
write in
this margin

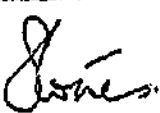
Please complete
legibly, preferably
in block type, or
bold block lettering

The name(s) and particulars of the person who is, or the persons who are, to be the first secretary, or joint secretaries, of the company are as follows:

Name (notes 3 & 7)	ANTHONY EDWARD CHARLES LLOYD		
Previous name(s) (note 3)	None		
Address (notes 4 & 7)	6 NORTHERNHAY PLACE, EXETER, DEVON.		
	Postcode	EX4 3QQ.	
I consent to act as secretary of the company named on page 1			
Signature			Date 5/2/86

Name (notes 3 & 7)			
Previous name(s) (note 3)			
Address (notes 4 & 7)			
	Postcode		
I consent to act as secretary of the company named on page 1			
Signature			Date

delete if the form is
signed by the
subscriber

Signature of agent on behalf of subscribers		Date 5/2/86
---	---	-------------

delete if the form is
signed by an agent on
behalf of the
subscriber

All the subscribers
must sign either
personally or by a
person or persons
authorised to sign
for them

Signed	Date
Signed	Date
Signed	Date
Signed	Date
Signed	Date
Signed	Date

FILE COPY



CERTIFICATE OF INCORPORATION OF A PRIVATE LIMITED COMPANY

No. 1995934

I hereby certify that

EXETER WORKSHOPS LIMITED

is this day incorporated under the Companies Act 1985 as a
private company and that the Company is limited.

Given under my hand at the Companies Registration Office,
Cardiff the

5TH MARCH 1986


In witness whereof (MHS)

an authorised officer

Equality Impact Assessment: Review and update of Exeter City Council's Companies, Alternative Delivery Models and Charities.

The Equality Act 2010 includes a general duty which requires public authorities, in the exercise of their functions, to have due regard to the need to:

- **Eliminate discrimination**, harassment and victimisation and any other conduct that is prohibited by or under the Act.
- **Advance equality of opportunity** between people who share a relevant protected characteristic and people who do not share it.
- **Foster good relations** between people who share a relevant protected characteristic and those who do not

In order to comply with the general duty authorities must assess the impact on equality of decisions, policies and practices. These duties do not prevent the authority from reducing services where necessary, but they offer a way of developing proposals that consider the impacts on all members of the community.

Authorities which fail to carry out equality impact assessments risk making poor and unfair decisions which may discriminate against particular groups and worsen inequality.

Committee name and date:	Report Title	Decisions being recommended:	People with protected characteristics potentially impacted by the decisions to be made:
Executive (14 th January 2025) and Full Council (25 th February 2025)	Review and update of Exeter City Council's Companies, Alternative Delivery Models and Charities.	As listed in paragraphs 2.1.1-2.1.11 in the report	None.

Committee name and date:	Report Title	Decisions being recommended:	People with protected characteristics potentially impacted by the decisions to be made:

Factors to consider in the assessment: For each of the groups below, an assessment has been made on whether the proposed decision will have a **positive, negative or neutral impact**. This must be noted in the table below alongside brief details of why this conclusion has been reached and notes of any mitigation proposed. Where the impact is negative, a **high, medium or low assessment** is given. The assessment rates the impact of the policy based on the current situation (i.e. disregarding any actions planned to be carried out in future).

High impact – a significant potential impact, risk of exposure, history of complaints, no mitigating measures in place etc.

Medium impact – some potential impact exists, some mitigating measures are in place, poor evidence

Low impact – almost no relevancy to the process, e.g. an area that is very much legislation led and where the Council has very little discretion

Protected characteristic/ area of interest	Positive or Negative Impact	High, Medium or Low Impact	Reason
Race and ethnicity (including Gypsies and Travellers; migrant workers; asylum seekers).	n/a	n/a	The proposed decisions being recommended concern the administrative functions of companies associated with Exeter City Council and do not raise any equality issues.
Disability: as defined by the Equality Act – a person has a disability if they have a physical or mental impairment that has a substantial and long-term adverse impact on their ability to carry out normal day-to-day activities.	n/a	n/a	The proposed decisions being recommended concern the administrative functions of companies associated with Exeter City Council and do not raise any equality issues.
Sex/Gender	n/a	n/a	The proposed decisions being recommended concern the administrative functions of companies associated with Exeter City Council and do not raise any equality issues.

Protected characteristic/ area of interest	Positive or Negative Impact	High, Medium or Low Impact	Reason
Gender reassignment	n/a	n/a	The proposed decisions being recommended concern the administrative functions of companies associated with Exeter City Council and do not raise any equality issues.
Religion and belief (includes no belief, some philosophical beliefs such as Buddhism and sects within religions).	n/a	n/a	The proposed decisions being recommended concern the administrative functions of companies associated with Exeter City Council and do not raise any equality issues.
Sexual orientation (including heterosexual, lesbian, gay, bisexual).	n/a	n/a	The proposed decisions being recommended concern the administrative functions of companies associated with Exeter City Council and do not raise any equality issues.
Age (children and young people aged 0-24; adults aged 25-50; younger older people aged 51-75/80; older people 81+; frail older people; people living with age related conditions. The age categories are for illustration only as overriding consideration should be given to needs).	n/a	n/a	The proposed decisions being recommended concern the administrative functions of companies associated with Exeter City Council and do not raise any equality issues.
Pregnancy and maternity including new and breast feeding mothers	n/a	n/a	The proposed decisions being recommended concern the administrative functions of companies associated with Exeter City Council and do not raise any equality issues.
Marriage and civil partnership status	n/a	n/a	The proposed decisions being recommended concern the administrative functions of companies associated with Exeter City Council and do not raise any equality issues.

Actions identified that will mitigate any negative impacts and/or promote inclusion

- N/A – as the proposals solely concern the administration of companies connected with Exeter City Council there does not appear to be any negative or positive impacts to any equality group.

Officer:

Date:

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