



## Exeter City Council

A meeting of **EXETER CITY COUNCIL** will be held at the **GUILDHALL, HIGH STREET, EXETER** on **TUESDAY 2 SEPTEMBER 2025**, at 6.00 pm, at which you are hereby summoned to attend.

If you have an enquiry regarding any items on this agenda, please contact Mark Devin, Democratic Services Manager on 01392 265477.

The following business is proposed to be transacted:-

### Agenda

#### 1 Minutes

To approve and sign the minutes of the ordinary meeting held on 22 July 2025 and the Extraordinary meeting held on 14 August 2025.

(Pages 5 - 26)

#### 2 Declarations of Interest

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

#### 3 Local Government Act 1972 - Exclusion of Press and Public

It is considered that the Council 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.

#### 4 Official Communications

#### 5 Proposed Extraordinary Council to consider conferring Honorary Alderman Status

Councillors are advised that a Extraordinary Meeting of the Council will be held on the rising of the ordinary meeting of Council on 14 October 2025, in accordance with Section 249 of the Local Government Act 1972, to consider conferring the title of Honorary Alderman on Mr Graham John Prowse, commonly

referred to as Percy Prowse.

In the opinion of the Council, he has rendered eminent services to the Council as a past member of Exeter City Council and formal resolution will be considered at that meeting, and a two-thirds majority of members present and voting will be required for the resolution to pass.

## **6 Public Questions**

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

Details of questions should be notified to Democratic Services 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](#)

## **TO RECEIVE MINUTES OF THE FOLLOWING COMMITTEES AND TO DETERMINE THEREON:-**

- |           |   |                    |
|-----------|---|--------------------|
| <b>7</b>  | <b>Customer Focus Scrutiny Committee - 23 June 2025 (Special)</b>     | (Pages 27<br>- 34) |
| <b>8</b>  | <b>Customer Focus Scrutiny Committee - 3 July 2025</b>                | (Pages 35<br>- 58) |
| <b>9</b>  | <b>Audit and Governance Committee - 17 July 2025 (Special)</b>        |                    |
|           | Links to the Committee report and appendices are appended to Minutes. | (Pages 59<br>- 64) |
| <b>10</b> | <b>Audit and Governance Committee - 24 July 2025</b>                  |                    |
|           | Links to the Committee report and appendix are appended to Minutes.   | (Pages 65<br>- 72) |
| <b>11</b> | <b>Planning Committee - 4 August 2025</b>                             | (Pages 73<br>- 78) |
| <b>12</b> | <b>Executive Committee - 12 August 2025</b>                           | (Pages 79<br>- 82) |

## **REPORTS TO FULL COUNCIL - SUGGESTED FOR DISCUSSION WITH THE PRESS AND PUBLIC PRESENT**

- |           |   |                      |
|-----------|---|----------------------|
| <b>13</b> | <b>Overview of General Fund Revenue Budget 2025/26 - Quarter 1</b>          |                      |
|           | To consider the report of the Strategic Director for Corporate Resources.   | (Pages 83<br>- 104)  |
| <b>14</b> | <b>2025/26 General Fund Capital Monitoring Statement - Quarter 1</b>        |                      |
|           | To consider the report of the Strategic Director for Corporate Resources.   | (Pages<br>105 - 118) |
| <b>15</b> | <b>2025/26 Housing Revenue Account Budget Monitoring Report - Quarter 1</b> |                      |
|           | To consider the report of the Strategic Director for Corporate Resources.   | (Pages<br>119 - 134) |

## **NOTICES OF MOTION**

### **16 Notice of Motion by Councillor Read under Standing Order No. 6**

**Motion: Rivers 2 and transparency template.**

(Pages  
135 - 140)

**Proposer:** Cllr Tess Read

**Seconder:** Cllr James Banyard

### **17 Questions from Members of the Council under Standing Order No. 8**

To receive questions from Members on any matter for which the Council has powers, duties or affects the City.

**A plan of seating in the Guildhall is attached.**

**Date: 22 August 2025**

**Bindu Arjoon  
Chief Executive**

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## **COUNCIL**

Tuesday 22 July 2025

### **Present:**

The Right Worshipful the Lord Mayor Councillor Anne Jobson (Chair)

Councillor Paul Knott (Deputy Lord Mayor)

Councillors Asvachin, Atkinson, Banyard, Begley, Bennett, Bialyk, Cookson, Darling, Foale, Fullam, Harding, Holland, Hughes, Hussain, Ketchin, Miller-Boam, Mitchell, K, Mitchell, M, Moore, Palmer, Patrick, Payne, Pole, Rees, Rolstone, Snow, Vizard, Wardle, Wetenhall, Williams, R, Wood and Wright

### **Also Present:**

Chief Executive, Head of Legal and Democratic Services & Monitoring Officer, Strategic Director for Corporate Resources, Democratic Services Officer and Democratic Services Officer (JM)

### **Apologies:**

Councillors Haigh, Parkhouse, Read, Sheridan and Williams, M.

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## **MINUTES**

The minutes of the Ordinary meeting of the Council held on the 10 June 2025 were moved by the Lord Mayor, taken as read, approved and signed as correct.

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## **OFFICIAL COMMUNICATIONS**

The Lord Mayor advised that she had attended the following:

- Exeter College Apprentice & Employer Awards;
- Topsham St James Cricket Club 150<sup>th</sup> Anniversary;
- “A New Creation” at Exeter Cathedral;
- Northcott’s production of Romeo & Juliet;
- Riding for Disabled’s Exeter Group;
- Armed Forces Day;
- the installation of the new Bishop of Crediton;
- raising of the Windrush Flag at Devon County Council;
- Redmayne and Bentley’s 150<sup>th</sup> anniversary;
- Devon and Exeter Institution’s Midsummer Festival;
- Macmillan’s 150<sup>th</sup> Anniversary;
- Vice Chancellor’s Garden Party;
- Science Park’s 10<sup>th</sup> anniversary; and
- the opening of the Climate Change Forum at the University.

The Lord Mayor also highlighted the success of the Lammas Fair celebration, and that both she and the Deputy Lord Mayor were looking forward to the upcoming Women’s Rugby World Cup.

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## **PUBLIC QUESTIONS**

The Lord Mayor reported that one question had been received from a member of the public.

The individual who had submitted a question was not in attendance, and the Lord Mayor advised that the question and response would be published on the website within five working days.

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**EXETER HARBOUR BOARD - 12 JUNE 2025**

The minutes of the Exeter Harbour Board held on 12 June 2025 were presented by the Chair, Councillor Ruth Williams, and taken as read.

In respect of **Minute No.18 Chair's Announcements**, Councillor Moore asked for clarity regarding the floating restaurant and why it continued to be on the agenda. Councillor R Williams clarified that it had remained on the agenda as it remained an ongoing issue for the Harbour Master and other relevant parties.

**RESOLVED** that the minutes of the Exeter Harbour Board of 12 June 2025 be received.

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**STRATEGIC SCRUTINY COMMITTEE - 5 JUNE 2025**

The minutes of the Strategic Scrutiny Committee held on 5 June 2025 were presented by the Chair, Councillor Pole and taken as read.

**RESOLVED** that the minutes of the Strategic Scrutiny Committee held on 5 June 2025 be received.

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**EXECUTIVE COMMITTEE - SPECIAL 19 JUNE 2025 & SPECIAL 24 JUNE 2025  
AND 8 JULY 2025**

The minutes of the Special Executive Committee held on 19 June 2025 were presented by the Leader, Councillor Bialyk and taken as read.

In respect of **Minute No. 45 Pendragon Road** Councillor Moore asked for clarification regarding access points to the site, and the expected greenspace that would be connected to this development. Councillor Banyard asked the Leader to provide information on the guarantees the Council could offer to ensure the enforcement on the ransom strip around the site. Clarification was also sought from Councillor Harding regarding how the land between Savoy Hill Valley Park and Mincinglake Valley park could be joined as soon as possible.

In response the Leader stated that the report had covered the disposal of land and had not been a planning application, that the number of access points was still being discussed by planners with the developers. Discussions surrounding the land at the edges of the site were subject to ongoing work between legal and planning teams. Regarding the land between Savoy Hill Valley Park and Mincinglake Valley Park it would be good to see this provide better and useable amenity space for residents and visitors.

**RESOLVED** that the minutes of Special Executive Committee held on 19 June 2025 be received.

The minutes of the Special Executive Committee held on 24 June 2025 were presented by the Leader, Councillor Bialyk and taken as read.

In respect of **Minute No. 48 Closure of Northbrook Swimming Pool**, Councillor Palmer raised concerns about information suggesting that Northbrook Swimming Pool would be demolished by the Council and whether if asked by the Northbrook Trust for the swimming pool to be returned to them in its original condition, the

closure would be reconsidered. Councillor Miller-Boam asked the Leader to provide clarification on what work had already been done regarding community ownership of the pool, as recommended by the Customer Focus Scrutiny Committee.

In response the Leader stated that there had been no proposal for the Council to demolish Northbrook Pool as the asset was not ours, and that there was an upcoming meeting with the Legal team regarding the lease, but there would be no reconsideration beyond that.

Councillor Bennett submitted the following question under Standing Order No. 8:

“At the Executive on the 24<sup>th</sup> June, over 4 weeks ago, the Leader said with regard to Northbrook Swimming Pool. If agreed tonight, the closure process could take up to 12-weeks. This will give officers time set up focus groups, talk with teachers and engage leisure members to work out ways to help people transition to St Sidwell’s and Riverside pools. We are fortunate in having committed and knowledgeable staff at our leisure centres, who can facilitate this process.”

Please can a full update on these focus groups, transition arrangements and provision made for schools be explained to Council?.”

The Leader provided the following response in response to Councillor Bennett’s question:

“Following the Executive meeting on 24 June, I am pleased to provide a full update on the progress made regarding the closure process of Northbrook Swimming Pool (NSP) and the transition arrangements to St Sidwell’s Point (SSP) and Riverside Leisure Centre (RSLC).

#### Schools and Clubs Engagement

The Leisure team have now met with all schools and clubs currently using NSP. A thorough review of pool hall space at SSP and RSLC has confirmed that we are able to accommodate all existing bookings. This has been communicated to all relevant parties, and we are currently awaiting final confirmations. Once received, all sessions will be formally added to the schedules at the new sites. I am pleased to report that in some instances; we have been able to reduce costs for schools.

#### Focus Groups and Community Engagement

Focus groups designed to engage individuals with protected characteristics, including those who are neurodivergent, have been scheduled at both St Sidwell’s Point and the Isca Centre during the week commencing 4th August. These sessions will offer leisure members and other stakeholders the opportunity to share their views and help shape the transition process that is inclusive, accessible, and responsive to the diverse needs of our community.

We remain committed to a smooth and well-supported transition for all our users of Northbrook Swimming Pool and will continue to provide updates as the process continues.”

In a supplementary question Councillor Bennett asked whether or not the difference in price of school transport would be paid for by the council. The Leader responded stating that this was a school transport issue and should to be raised with Devon County Council, and that a number of costs for schools had already decreased.

**RESOLVED** that the minutes of Special Executive Committee held on 24 June 2025 be received.

The minutes of the Executive Committee held on 8 July 2025 were presented by the Leader, Councillor Bialyk and taken as read.

In respect of **Minute No. 55 Local Development Scheme: Summer 2025**

Councillor Bennett referred to a question asked by Councillor Moore during the meeting and asked how much progress had been made in drafting an SPD for co-living. In response Councillor Patrick, the Portfolio Holder for City Development, clarified that it was recognised that this was important housing tenure and should be part of our plans for SPD going forward, but was awaiting a draft plan from Bristol. Once received work would commence on a draft plan for Exeter.

In respect of **Minute No. 56 Newtown Community Project – Triangle Car Park Amends** Councillor Vizard spoke in support of the scheme, stating that it was crucial to the area and a good example of public consultation. Councillor Vizard also commended the support of the Cycling Campaign. Councillor M Mitchell stated that the recommendation had been supported unanimously at HATOC.

The Leader moved and Councillor Wright seconded the recommendation which following a unanimous was CARRIED.

In respect of **Minute No. 57 Costed Organisational Carbon Footprint Projections to 2030**

Councillor Harding asked for clarification regarding information suggesting that the solar farm was back-up powered by a diesel generator. Councillor Banyard noted the areas showing marginal reduction by 2030, and asked that given procurement is a powerful lever, how would secondary emissions from this be reduced. Councillor Moore noted that the Equality Impact Assessment (EQIA) highlighted an issue regarding some religions and asked the Leader if this would be addressed.

Councillor Moore also noted that 'Business As Usual' (BAU) showed a reduction of 29% by 2030 and asked when Exeter would be expected to achieve net zero. Councillor Atkinson spoke in support of this report and asked the Leader if she was correct in believing that this report was groundbreaking and that no other council had produced a report at this level.

The Leader responded that he would take the comments about the EQIA and feedback to officers. He confirmed that Councillor Atkinson was correct in her belief that the report was groundbreaking, and the Leader asked Councillor Vizard, Portfolio Holder for Climate, Ecological Change and Communities to respond in more depth.

Councillor Vizard responded to questions making the following points:

- solar farms were not backed by diesel generators;
- there was more that could be done using with communications to share the work that the council had been doing;
- BAU was a misnomer as it suggested that the Council was doing nothing out of the ordinary but that was not the case;
- the Net Zero by 2030 ambition remained, and the report was fully costed and provided a stark message about what would be necessary to achieve that target; and
- the report was groundbreaking and that there had been no similar, costed reports across local authorities.

**RESOLVED** that the minutes of Executive Committee held on 8 July 2025 be received.

The Leader, Councillor Bialyk presented the Corporate Plan Report and during debate Members made the following comments:

- there was concern that residents feedback about nature was not reflected in the outcomes of the corporate plan, and that there was a duty towards nature and decarbonisation;
- the introduction to the plan mentioned heritage but there was no corresponding outcome;
- the Council needed to enable a greater voice for the community as they wanted to have a say on issues that affected them;
- further discussion in the future with opposition groups would be welcomed when drafting new plans;
- drafting amendments would be made to change the wording to 'Net Zero'; and
- operational detail had been provided regarding managing green spaces which could help clarify some biodiversity concerns.

The Leader responded to Members comments in the following terms:

- the corporate plan had been based on the manifesto of the Labour group;
- drafting recommendations would be delegated to the chief executive as would issues surrounding heritage, which would be discussed at the leaders next meeting with the chief executive; and
- cutting of grass was under contract with highways, and the information could be found online.

The Leader moved and Councillor Wright seconded the recommendations of the report, which following a vote were CARRIED.

### **ORGANISATIONAL TRANSFORMATION AND EFFICIENCY PROJECTS - REQUEST FOR A NON-RECURRING BUDGET**

The Leader, Councillor Bialyk introduced the report and during debate Members made the following comments:

- the council might not exist in the same way following Local Government Reorganisation (LGR) therefore the aim of this project could be in vain;
- the investment in IT raised concerns that infrastructure was becoming a larger portion of what the council was focusing on;
- learning and development was a large amount of work for one role;
- the council's responsibility was to the people of Exeter to ensure that the council was ready for LGR;
- it was important to be up to date digitally and to relieve stress on members of staff where possible as well as ensuring readiness for LGR;
- the council could fall behind unless investments in staff were made;
- this could provide impetus to assist LGR, and we should not stop because there was change on the horizon;
- the council should make sure whatever changes were made were compatible with neighbouring authorities they could be working with; and
- there were significant number of staff who maybe concerned with what the future looks like after LGR and it would be important to acknowledge and reassure where possible.

Members asked the following questions:

- was this suitable given the context of LGR and that everything may be different in the future;
- where would corporate health and safety be sourced;

- would it help to know what central government would provide for restructure;
- could the council be informed of discussions with neighbouring authorities given the amount of investment in infrastructure;
- would the council look to upskill and prepare officers rather than training new staff.

The Leader and Section 151 Officer responded to Members questions in the following terms:

- the council would make sure there was good communication with other local authorities;
- the request was for funds to develop staff;
- business rates reset would take place this year; and
- these funds would address budget challenges over the next two years.

The Leader moved and Councillor Wright seconded the recommendations of the report, which following a vote were CARRIED.

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### **JOINT HABITATS SITE MITIGATION STRATEGY**

The Leader, Councillor Bialyk, introduced this report and during debate members made the following comments:

- an email from the Head of Service - Operations had been circulated to every councillor;
- two partners, Teignbridge Council and East Devon District Council had already approved this strategy;
- Exeter was fortunate to have easy access to two vital European sites, Dawlish Warren and the Pebblebed Heaths, and it was important to protect those;
- would like to see a similar plan for Exeter;
- there was no biodiversity strategy for the city, and this level of detail was needed across all green spaces; and
- Members were sceptical due to the Government's reputation of regarding the environment.

The Leader responded in the following terms: -

- this strategy had cross party support at both Teignbridge and East Devon District Council; and
- support for this strategy was welcomed.

The Leader moved and Councillor Wright seconded the recommendations as stated in the report, which following a vote unanimous were CARRIED.

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### **NOTICE OF MOTION BY COUNCILLOR HUGHES UNDER STANDING ORDER NO. 6**

Councillor Hughes moved, and Councillor K Mitchell seconded a Notice of Motion in the following terms: -

### **NOTICE OF MOTION BY COUNCILLOR HUGHES UNDER STANDING ORDER NO.6**

**Council notes that:**

**The Supreme Court, in the case of For Women Scotland v the Scottish Ministers, ruled that the terms “man”, “woman” and “sex” in the Equality Act 2010 refer to ‘biological sex’, and that the Scottish Government’s effort to**

**increase women's representation on public boards therefore did not entail representation by trans women with a Gender Recognition Certificate, as it had intended.**

**A Gender Recognition Certificate (GRC) allows trans people to change their birth certificate and their sex marker with HMRC. It is an illegal practice under the Gender Recognition Act 2004 for an employer to ask for an employee's GRC.**

**Repeatedly misgendering someone, particularly a transgender person, could be considered a form of harassment and direct discrimination under the Equality Act 2010, although the law is still evolving around this and is currently still complex.**

**Interim guidance published by the Equality and Human Rights Commission (EHRC) has suggested that trans women should not be permitted to use women's facilities, and trans men should not be permitted to use men's facilities, in workplaces and services open to the public. This interim guidance is currently in the process of being challenged by way of a claim for judicial review by the Good Law Project. If the claimants are found to be incorrect, then the submission is that the EHRC interim guidance is incompatible with articles 8 and/or 14 of the European Convention of Human Rights.**

**The Supreme Court judgement, and following interim guidance from the EHRC, has caused great anxiety, uncertainty, and fear for the trans, non-binary, and intersex communities. It has also encouraged open bigotry, and a further removal of safety measures for trans and non-binary people in workplaces and public spaces due to a lack of understanding of what this Supreme Court judgment actually means.**

**The law requiring respect for trans/non-binary rights has not changed. The provisions of the Equality Act 2010 on protected characteristics, associated case law, plus the Supreme Court has reaffirmed that trans people's rights must be respected under the law."**

**An amendment to the motion was proposed by Councillor Wright calling to remove point 5 and to remove "are women", "are men", "and" from the first sentence of the motion. Councillor Hughes accepted the amendment.**

**In presenting the motion, Councillor Hughes made the following points:**

- this motion was important in the current climate;**
- 47% of transgender people had been sexually assaulted at some point in their life, and 78% had experienced sexual harassment;**
- 35% of transgender people had experienced physical assault;**
- 12% of transgender and non-binary individuals had experienced sexual violence;**
- 57% had experienced mistreatment by Police;**
- the Supreme Court had been very clear that there was no legal requirement for single sex facilities where there are cubicle toilets;**
- regulations were separate from Equality Act 2010, and there was no need for establishments to change their approach as a result of this judgement;**
- transgender residents of Exeter had experienced a multitude of incidents of discrimination, abuse and hate crimes;**
- Councillor Hughes had received hate mail whilst being a councillor which was not acceptable in our city;**

- effective allyship was needed more than ever;
- support for this motion was support for transgender and non-binary communities in Exeter; and
- any group marginalisation impacts other marginalised groups.

During discussion, Members made the following comments in support of the motion:

**Councillor Knott:-**

- shared personal family experience of persecution and bigotry of an LGBT+ person when sadly a motion such as this did not exist;
- that he was elected in 2022 when more did not vote for him than did but he was committed to representing every resident in his ward; and
- this motion would mean that we recognise the LGBT+ community, embrace difference and take meaningful action to support residents.

**Councillor Begley:-**

- was horrified by the statistics shared by Councillor Hughes;
- believed that this was an essential motion for Exeter;
- the Laurels was a long established and well-respected NHS clinic operating locally which Exeter was fortunate to have;
- in her own career she had worked with adults struggling with gender dysphoria;
- priority had to be given to protecting those who were suffering; and
- motions like this would make discrimination and prejudice as socially unacceptable as racism, ableism, and misogyny.

**Councillor Miller-Boam:-**

- thanked Councillor Hughes for this motion;
- discussed initiatives in the city which they had attended, such as Exeter Queer Fest and Exeter Pride;
- as a council we must create an inclusive community for the LGBTQ+ community;
- trans people faced discrimination and hostility and have disproportionately poor access to public services;
- it was important to wait for results of EHRC consultation before making any changes to guidance and services provided; and
- wholeheartedly supported the motion.

**Councillor Wood:-**

- thanked Councillor Hughes for this motion, and for providing an opportunity to discuss the topic at council and learn from others;
- discrimination of one group led to discrimination of another was true;
- he was proud to live in Exeter, and that the city contained a full spectrum of people; and
- as well as transgender and non-binary people existing, they also deserved respect.

**Councillor Wright: -**

- thanked Councillor Hughes and Councillor K Mitchell for their motion as it provided a chance to reflect;
- she had known many students during her career as a teacher and knew that they were not able to get the support they needed;
- she hoped that this motion would help within the transgender and non-binary community; and
- she believed that the LGBT+ were not a separate community but rather part of the Exeter community.

**Councillor Harding: -**

- was pleased that Councillor Hughes brought this motion to debate and vote on;
- believed some voices in media and politics sought to divide us;
- it was very important that we as a council re-assert our support for transgender and non-binary people; and
- he was supportive of the shops in Exeter with LGBT stickers on the door and felt that it showed Exeter was an inclusive place to be.

**Councillor Vizard: -**

- gave thanks to Councillor Hughes;
- touched on Councillor Wright's amendment to the motion and re-stated that trans women were women, trans men were men, and non-binary and intersex people did exist; and
- that there was still work to do, and it would be beneficial to work with the police to support.

**Councillor Bialyk: -**

- felt that it was important as the Leader of the Labour Group, and the Council to make his position clear;
- he believed we needed to have tolerance and respect;
- hoped it would not take as long for transgender people to be fully as it had for other groups.

**Councillor Moore: -**

- thanked Councillor Hughes;
- praised Councillors for sharing their personal experiences;
- social media abuse had real life consequences, some of which had been mentioned during this discussion; and
- she wanted Exeter to be a welcome place for all.

Councillor K Mitchell, as seconder, spoke in support of the motion making the following comments: -

- gave thanks for the contributions of members;
- this motion was vitally important and the result of months of discussion;
- Exeter was inclusive, but there was still hatred;
- spoke of personal experience of homophobia he faced in his time as Lord Mayor, and emphasised that there was still prejudice within the city; and
- he felt it was vitally important for the council to make a statement.

Councillor Palmer spoke to explain why she would be abstaining from the vote citing professional reasons, and that she hoped to have an influence professionally and wanted to thank those who had shared very personal stories.

In summing up, Councillor Hughes made the following points: -

- this motion was an excellent example of cross-party work and lots of work had been done by Councillor K Mitchell and the Labour Group;
- without Councillor K Mitchell they may not have had the confidence to bring the motion and it was helpful to have support and allyship of more experienced councillors;
- they thanked Councillor Knott for his unwavering support especially now that they understood the context;
- that many people did not understand the complexities of gender affirming care;

- they reassured Councillor Begley that Devon and Cornwall police showed clear commitment to upholding laws that supported the LGBT+ community;
- clarified that LGBT+ was used instead of LGBTQ+ due to guidance provided by the Intercom Trust;
- it was not enough to be a safe space, and it needed to be a brave space;
- undermining the feelings of young people could end lives;
- they felt that messages coming from central government were similar to Section 28 but for transgender and non-binary people which was worrying; and
- expressed disappointment in Councillor Palmer for abstaining from the vote but expressed respect for standing up and acknowledging the personal stories that had been shared.

Councillor K Mitchell called for a roll call vote on the motion; a named vote was recorded as follows:

Voting for: -

Councillors Asvachin, Atkinson, Banyard, Begley, Bialyk, Bennett, Cookson, Darling, Foale, Fulham, Harding, Holland, Hughes, Hussain, Ketchin, Knott, Miller-Boam, K Mitchell, M Mitchell, Moore, Patrick, Payne, Pole, Rees, Rolstone, Snow, Vizzard, Wardle, Wetenhall, R Williams, Wood, Wright. (32 Members)

Voting Against: - none

Abstentions: -

The Lord Mayor and Councillor Palmer (2 Members)

Absent: -

Councillors Haigh, Parkhouse, Read, Sheridan, and M Williams (5 Members)

Following a vote the motion as amended was CARRIED.

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#### **NOTICE OF MOTION BY COUNCILLOR K MITCHELL UNDER STANDING ORDER NO.6**

Councillor K Mitchell moved, and Councillor M Mitchell seconded a Notice of Motion in the following terms:

**“Council notes that:**

**The Student Class N Council Tax exemption is a national policy that helps to support the accommodation costs of full-time students during their studies.**

**It receives some reimbursement from the DCLG via the Settlement Funding Assessment to compensate for the loss of Council Tax income, but that the student adjustment was fixed in 2013/14 and has not been updated since.**

**With the rise in Council Tax rates since 2013/14 and growing student numbers, the current cost of N exemptions within Exeter is estimated to be £10.12m of which £0.8m would be payable to Exeter City Council.**

**In response to a recent parliamentary question, HMG has indicated that they intend to use the consultation on the Fair Funding Review 2.0 to review the adjustments to the funding formula for local authorities with higher student-exempt properties.**

**Council believes that:**

**The review of the funding formula is a welcome first step, but that local authorities with high student populations, like Exeter, should not disproportionately bear the costs of student Council Tax exemptions.**

**Council resolves to:**

**Participate fully in the consultation process on the Fair Funding Review 2.0, making the case for the funding gap caused by Class N exemptions to be filled and that future funding assessments should reflect changes in Council Tax rates and student numbers.**

**Engage with similar authorities and others, locally and nationally, to jointly lobby HMG on this issue.”**

In presenting the motion Councillor K Mitchell made the following points: -

- Exeter had become an attraction for students as the University was a top university in the country; and
- this issue was not anti-student or anti-university.

Councillor M Mitchell, as seconder, spoke in support of the motion, making the following points:

- this was similar to the business rates on PBSA in 2019;
- all councillors in inner city wards had a high density of students;
- arrangements had previously been made in 2013/14 for extra allowance for cities with high numbers of students and Exeter believes we meet the high criteria threshold and would like the system reviewed; and
- as Exeter was a low wage area, this makes council tax a burden for those who are paying.

Following a unanimous vote this motion was CARRIED .

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#### **QUESTIONS FROM MEMBERS OF THE COUNCIL UNDER STANDING ORDER NO. 8**

In accordance with Standing Order No. 8, the following question was put by Councillor M Mitchell to the Leader:

**“Can the Leader confirm that neither he or his administration will be placing before Council a request to the Secretary of State to cancel the local elections due to be held for Exeter City Council in May 2026?”**

The Leader responded stating that he had no intention of cancelling the local elections due to be held in May 2026 and neither did this council.

In accordance with Standing Order No. 8, the following question was put by Councillor Wetenhall to the Leader:

**“Your administration has committed to completing the roll-out of food waste collections by the end of this financial year and I and my fellow Green Councillors warmly welcome this. Can you please confirm that this roll-out will include flats in the city centre area, covering both St David’s and Newtown and St Leonard’s wards?”**

Councillor Ruth Williams, Portfolio Holder for City Management responded stating that flats would be included, as they had been with all areas of the roll out that had been conducted to date.

In accordance with Standing Order No.8, the following question was put by Councillor Moore to the Leader:

**“Exeter’s baseball team, the Exeter Spitfires, have won Regional League and we wish them well as they go to the National Finals. However, at the moment they are unable to train anywhere as King George V Playing Fields have reverted back to the football team. When will the Exeter Spitfires be able to move onto their permanent home of Bromham’s Farm playing field?”**

Councillor Wood, Portfolio Holder for Leisure Services and Healthy Living responded to this question, stating that “Exeter Spitfires current licence agreement for KGV ends on the 3<sup>rd</sup> of August 2025. The field will continue to be maintained, and they remain able to play up to and including that. The commencement of the use of Brohmams is subject to current and ongoing discussion with the club regarding their terms of occupation. It is anticipated that terms will be in place prior to the start of the April 2026 formal baseball season. No interim training facilities have been requested.”

In a supplementary question, Councillor Moore stated that there had been discussions about interim arrangements and the need to spend their grant by September to ensure it could be spent, she asked Councillor Wood if he would be able to have an urgent conversation with Exeter Spitfires about these issues. Councillor Wood stated in response that if Exeter Spitfires made an approach the council would engage in discussion.

In accordance with Standing Order No. 8, the following question was put by Councillor Banyard to the Leader:

**“The Government is currently consulting on proposed changes to the way planning committees operate, in its “Reform of planning committees: technical consultation”, which closes on Wednesday 24<sup>th</sup> July 2025. Has the Council responded, or does it intend to respond, to this consultation?”**

Councillor Patrick, Portfolio Holder for City Development responded stating that “Officers have reviewed in detail, the Government’s *Reform of Planning Committees: Technical Consultation*, and that does close on 24 July 2025, and have discussed the proposals with myself. Many of the measures outlined are actually consistent with approaches already adopted in Exeter, although some aspects – such as a nationally prescribed delegation framework – could have implications for local flexibility.

Following this consideration, the Portfolio Holder and officers concluded that a formal submission from Exeter City Council would not add significant value to the consultation process on this occasion. Nevertheless, officers will continue to monitor developments and will ensure that Members are briefed on any future consultations or emerging guidance with direct implications for the Council’s decision-making arrangements.”

(The meeting commenced at 6.00 pm and closed at 8.27 pm)

Chair

## **EXTRAORDINARY MEETING OF THE COUNCIL**

Thursday 14 August 2025

### **Present:**

Councillors Asvachin, Banyard, Begley, Bennett, Bialyk, Cookson, Darling, Foale, Haigh, Harding, Hughes, Hussain, Jobson, Knott, Miller-Boam, Mitchell, K, Mitchell, M, Moore, Parkhouse, Patrick, Payne, Pole, Rees, Rolstone, Sheridan, Snow, Wardle, Wetenhall, Williams, M, Williams, R and Wright

### **Also Present:**

Chief Executive, Strategic Director for Place, Head of Legal and Democratic Services & Monitoring Officer, Strategic Director for Corporate Resources, Democratic Services Officer and Democratic Services Officer

### **Apologies:**

Councillors Atkinson, Fullam, Ketchin, Read, and Vizard.

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### **DECLARATIONS OF INTEREST**

No declarations of disclosable pecuniary interest were made by Members.

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### **LOCAL GOVERNMENT REORGANISATION IN DEVON: PREFERRED GEOGRAPHY**

The Leader of the Council, Councillor Bialyk, moved and read out the recommendations set out in the report as follows:

#### **That Council:**

**2.1 Notes the Governments response (Appendix 2) to Exeter's interim submission;**

**2.2 Agrees the proposed geography for Exeter City Council's local Government Reorganisation proposal for Devon to enable officers to undertake a programme of public and stakeholder engagement to assist in building the detailed proposal to bring forward to Council for approval. The outcomes of the engagement with residents and stakeholders will be shared with Members;**

**2.3 Delegates authority to the Chief Executive, in consultation with the Leader, to further develop the proposal; undertake the proposed engagement and prepare the final proposal for agreement prior to submission to Government; and**

**2.4 Notes that a request for any further budget required to complete the final proposal will be brought to council for approval.**

In proposing the recommendations, the Leader, Councillor Bialyk, made the following statement:

*"Thank you, Lord Mayor, and good evening, Members, colleagues, and members of the public who are joining us tonight. Let me begin by saying this plainly: everything is about to change.*

*We are here because we have an opportunity to redraw the map of local government in Devon. Members will know that this council has long held an ambition to be a unitary council for the benefit of the city and the whole county.*

*When we last debated this issue, the council confirmed that ambition.*

*So, the question before us is not if we respond. It is how.*

*And I believe – I genuinely believe – that Exeter has a responsibility to lead. Not dominate. Not dictate. But lead. With clarity, with humility, and with a deep respect for the communities around us.*

### **Overview of the proposal**

*The Chief Executive will take us through the detail, but I wanted to visit some points first. The proposal before us sets out a clear direction of three unitary councils. It is a model that recognises the distinct identities and needs of urban and rural communities – and aligns geography, population, and economic potential with financial sustainability.*

*It rightly places Exeter and Plymouth where they belong – as engines of growth for the whole county. Exeter's strengths in housing, innovation, education, climate science, and transport connectivity make it a natural hub for a new urban authority. This is a rare opportunity to reshape public services – to improve outcomes, tackle inequalities, and deliver better value for money. And by working with places that already have strong ties to Exeter, we can build something that accelerates growth and strengthens communities – not just here, but across Devon.*

*I want to thank the Chief Executive and the officers for the work that has gone into this report. It is substantial, evidence-based, and rooted in a geography that makes sense for Devon's future.*

*To be clear: we are not approving a final blueprint tonight. What we are doing – if we agree – is allowing officers to do the detailed financial assessment and begin formal engagement. To test the thinking. To gather the evidence. To listen.*

*We are also delegating authority to the Chief Executive – working closely with me – to shape the full proposal. That includes financial modelling, service design, and conversations with other councils. I want to assure members that officers will be briefing members as the case develops. If more budget is needed to do this properly, then that decision will come back to members.*

### **Criticisms**

*Now, I have heard the criticisms from some quarters that this is just Exeter trying to expand or a "power grab." Honestly? I get it. People are wary. They have seen too many decisions made without them, not for them. But that is not what this is. That is not what we are doing.*

*We are not asking anyone to sign up to our proposal. We are asking them to talk to us. To challenge us. To tell us what works – and what does not. Because if this new council is going to serve people well, it has to be built with them – not just around them.*

*In the rush to get a soundbite out, some early critics have missed the point entirely: this proposed geography is not about Exeter. It is about Devon. It is about how this county sets itself up for decades to come.*

*We cannot afford to let politics get in the way of a once-in-a-generation opportunity to shape a future that delivers growth, fairness, and success for all our communities.*

### **Engagement**

*We have got a very tight window. The Government's timetable is ambitious, but we always describe ourselves as an ambitious council. And yes, the timeframe limits what we can do. But it does not stop us from doing it properly.*

*If members agree tonight, we will begin a six-week programme of public, resident, and stakeholder engagement. That includes webinars, in-person meetings, and direct outreach to every parish and town council within the proposed geography.*

*We will be transparent about our thinking. We will share the proposed boundaries, the rationale, the evidence – and we will ask people what they think. What worries them. What excites them. What they need from a future council.*

*We are already working closely with Plymouth Council on their proposal, which, as I said earlier, recognises their position as an economic powerhouse of the county. We also recognise Torbay's unique role in the region and are committed to working collaboratively to explore how its priorities and proposals can be reflected in any final submission.*

*We are genuinely open to collaborating with any council that wants to be part of this conversation. And as the Chief Executive said in her speech, we are open to making changes to our proposal based on what communities and government are telling us.*

*That is why we are engaging – to listen, to learn, and to adjust, so we end up with the strongest possible plan for Devon.*

### **Closing**

*Back in March, we gave unanimous support to our officers to begin this work. That unity matters. It sends a clear message: Exeter is serious about leading this process with integrity and transparency.*

*I remember one evening during my first campaign – one of those cold, wet nights where you wonder why you are out at all. I knocked on a door in Exwick and spoke to a woman in her seventies. She lived alone, had mobility issues, and relied on a patchwork of services from different councils. She said, "I don't care who runs what – I just want someone to know I exist." That stuck with me.*

*Because behind all the talk about structures and submissions and strategy documents, that is what this is really about – making sure people feel seen. That they matter. That the system works for them, not the other way around.*

*So tonight, I am asking you to support the motion. Not because it is perfect. Not because every detail is nailed down. But because it moves us forward.*

*It lets officers continue the work. It lets us start the conversations that matter.*

*It lets us shape something better for all Devon.*

*Thank you, Lord Mayor."*

The recommendations were seconded by Councillor Laura Wright.

The Chief Executive presented the report, making the following statement:

*"Thank you, Lord Mayor, and good evening, Members.*

*This evening marks a key moment in shaping the future of local government across Devon. The report before members is about designing a unitary authority that reflects the strengths of our county, responds to the needs of our communities, and improves services across Devon.*

*Before addressing the report in detail, I would like to remind members of the context in which this report is set. The Government has made its direction clear. The English Devolution White Paper signalled the end of the current two-tier system of local government. For Devon, that means that all 11 councils will be abolished by 2028.*

*The city council's responsibility is to propose to government what a new single-tier of local government should look like – not just in the interest of the residents of Exeter but for the whole county. This presents an opportunity to reshape services, strengthen identity, and deliver better economic growth for all communities in Devon.*

### **Purpose of the report**

*The report before members this evening does not set out the full case for the Council's proposal for local government reorganisation. Its purpose is to confirm the proposed geography that will underpin our submission and Members' decision tonight will mean officers can begin developing the full proposal, including a detailed financial assessment.*

*That final submission will make the case not only for a council to serve Exeter and the surrounding area, but also for councils to administer the rest of Devon. Agreeing the geography this evening allows the council to begin our planned programme of public and stakeholder engagement over the next six weeks. The outcome of that engagement will be shared with members and used to shape the final submission to Government on 28 November.*

### **Proposed geography**

*Lord Mayor, the proposed geography reflects the natural connections our communities have in Devon – the places where people live, work, study and access services.*

*It is a geography shaped by evidence, connection, and the lived reality of how people interact with Exeter and its surrounding parishes.*

*Our proposal contends that services should be within a closer travelling distance, more accessible for users and closer to local providers. It includes the growth area to the east of the city and many areas where people travel to Exeter for employment, education, or cultural activity.*

*Local government reorganisation for Devon must reflect the unique characteristics of Exeter and Plymouth as the main drivers of growth for the whole county, while also recognising the shared identity and needs of Devon's rural and coastal communities.*

### **Three-Unitary Model for Devon**

*Therefore, this council's proposal sets out a three-unitary model:*

- the first is an urban-focussed unitary council, based on the city of Exeter and 49 surrounding Parishes.*
- the second is an urban-focussed unitary council, based on the city of Plymouth and 13 adjacent Parishes.*
- and thirdly, a rural and coastal unitary council serving the rest of Devon.*

*The proposed new unitary authority for Exeter and the surrounding area would serve a population of around 256,000 – rising to around 294,000 by 2040. Of the 49 parishes – 15 are from the current Teignbridge District Council area, 28 from East Devon and 6 from Mid Devon.*

*A reminder, Lord Mayor, that those three district councils will be abolished by April 2028, as will this council.*

### **Role of Parish and Town Councils**

*Local government reorganisation will not change the role of parish and town councils. Our final submission will propose to strengthen their role as well as the relationship between the parish councils and proposed new authorities.*

### **Financial resilience and next steps**

*Turning to the financial case, Lord Mayor, I hope members will note the transparency officers have brought to this process. Independent analysis confirms that a unitary council based on Exeter and its surrounding area would be financially resilient.*

*On key measures – population, resources, and local taxation – it would have sufficient scale to withstand financial shocks as would the other two proposed councils.*

*There are, however, some risks that we will need to address as we develop the final submission. While the analysis confirms that the proposed new council would receive sufficient income to be viable, it does not assess the costs of delivering services.*

*The reason for this is that we have not yet reached that stage in the work that would allow us to do so. At the time of drafting this report, service cost information from other councils in Devon was not yet available and, in any event, we could not model these costs until we know the geography on which the proposed new council will deliver its services.*

*Once we have completed the full assessment, we will share it with members, along with proposed models for delivering key services such as adult social care, children's services, and transport. So just to reassure Members that the next time you will hear from Officers on this issue will not be at final submission stage, we would be intending to organise briefings at significant points in the process*

### **Working with other councils**

*Lord Mayor, I would like to turn to our work with other councils.*

*As you know, the other seven district councils in Devon continue to develop the 1-5-4 model, and Exeter is not part of that work, although we do continue to work with all Devon councils, for example on data sharing and some limited resident engagement.*

*We will continue to work with all Devon councils who wish to work with us to determine how we might reflect their proposals within ours, subject of course to a financial assessment, and an assessment of the other criteria.*

*We already reflect Plymouth's proposal in our model, and we are keen to explore how Torbay's position might also be incorporated as we develop our final proposal.*

*We are open to modifying the proposed boundaries — depending on what we hear from communities and any emerging advice that we might receive from government.*

### **Closing remarks**

*To summarise, Lord Mayor, this is not just a technical exercise in redrawing boundaries. It is a chance to create a whole new model of local government – one that works better for everyone across Exeter and Devon.*

*Members' confirmation of the proposed geography tonight will allow us to take a practical step forward.*

*It allows us to start engaging with communities, refining our financial and service models, and building a submission that reflects the strengths and needs of the whole county. We have an opportunity to help design a future council that is even more responsive, more resilient, and more connected to the people it serves.*

*Lord Mayor, just before I conclude, I would like to thank my colleagues who are continuing to work diligently and thoughtfully to develop the council's submission and I commend the report to members."*

The Chief Executive answered questions from Members as follows:

- whilst risks had been identified, these had been assessed as viable;
- there was data sharing taking place with Councils across Devon;
- the Council would be taking professional advice on the delivery of services, particularly for services not currently being provided by Exeter City Council (ECC);
- the rest of Devon had been suggested for a Unitary Authority due to shared community issues;
- ECC would continue to work with Torbay Council, and try to accommodate the proposals of other Councils;
- there were three webinars scheduled for parish councillors to attend and the Council were trying where possible to go to parish councils and speak to them;
- data collected during the engagement process would be fed back to Members, inline with the consultation charter;
- it had been made clear by the Government that there would be no changes to the parish council structure;
- reassured Councillor Moore that the health of the river would be considered;
- the voices of young people would be considered where possible;
- residents of Exeter would continue to have their voices heard, but the council was considering other options such as neighbourhood communities to ensure this; and
- rural enablers could be considered during the next stage.

During debate, Opposition Group leaders made the following comments in support of the recommendations:

Councillor M Mitchell-

- welcomed this report, and clarified that he had been given a dispensation to speak by the Monitoring Officer, given that he is also a Devon County Councillor;
- the City of Exeter would form a major component of a new unitary authority;
- there was a need for those in political power to come together and propose a submission on behalf of the entire population of Devon;
- there would need to be a lower tier of local government within the city;
- bigger is not always better, it was important to focus on localism; and
- locality of government supported democracy and public participation and working together supported the delivery of the highest standards of service.

Councillor Hughes-

- thanked officers for their work on this report;
- praised the Chief Executive and the officers for answering members questions at every step;
- considered that this current proposal was the best possible option; and
- they had a preservation about future SEND provision but felt that there was a real chance to do a better job than Devon County Council had done over the last few decades.

Councillor Moore-

- thanked the Chief Executive;

- thanked the Leader for his input, and asked him to continue listening and being willing to take on feedback from the engagement;
- welcomed opportunities for the environment and the wider land and water scale;
- new unitary structures should enable strong community engagement and parish councils were the voice of local democracy;
- it was important to engage with citizens regarding service design and delivery;
- did not want buildings and open spaces to be sold to cover the cost of this transition;
- highlighted that she wanted as many things delivered by the council as possible;
- it was really important to provide updates to the community; and
- shared the concern raised by others that if the council did not come to a decision, that the decision would be made by the government.

Members made the following further comments:

Councillor R. Williams-

- asked about the localism in the 1-5-4 model or the 1 Devon Model as some of the key issues in Exeter were actually Devon County Council issues;
- this would provide a huge opportunity to deliver services for residents locally;
- other proposals offered by other local authorities seemed to be based on convenience;
- the council needed to have confidence and courage to follow the work that had already been done;
- it was important to listen to what residents had to say; and
- she encouraged officers and leader to continue as they had been.

Councillor Cookson-

- there was confusion around which Councils provided services. between Exeter City Council, and Devon County Council, and many issues within the city were problems dealt with by Devon County Council;
- within a unitary authority decisions would be made locally and with full accountability for residents;
- unitary councils often saved money by streamlining services;
- smaller councils were able to provide better services as their leaders were closer to communities;
- it was hard for residents to know what roles councillors were doing when they had more than one councillor;
- this was a strong, and responsible, proposal;
- communities already had a strong link to Exeter, and this would strengthen their identity; and
- small Councils were better at prevention and early intervention, which would help lower services costs.

Councillor Pole-

- parishes could contain many cities, and it made sense for them to be able to make comments to their higher tier representatives;
- establishing parish councils in Exeter would represent a layer of bureaucracy at local taxpayer expense; and
- establishing parishes within Exeter could lead to another two-tier system that residents already found difficult to navigate.

Councillor Wright:

- thanked Councillor Michael Mitchell for his contribution at the meeting;
- thanked the Chief Executive, Officers, and the Leader;
- the report was accessible and easy to understand;
- the original population size had been amended, and the proposed size was viable;
- it was a priority of Exeter City Council to deliver high quality and sustainable services to citizens;
- two-tiered Councils had barriers for finances, and ensuring that things were dealt with by the appropriate people;
- made it clear that no Councils were being swallowed up, and that the area was logical and highlighted local connections; and
- a unitary authority of this size stood a chance of being a superpower for residents, children that needed Special Educational Needs and Disabilities (SEND) provision, adult social care, potholes and the transport system. The Council already knew what was needed for the area.

Councillor Foale:

- thanked the Chief Executive, officers and the Leader;
- stated that it was important to learn from its history; and
- that he believed a unitary authority based on the proposed geography could provide better services than what was already in place.

Councillor K Mitchell:

- thanked the Chief Executive;
- he was reassured that the relationship with town councils were included in this map, and that it was important to make this relationship clear when visiting the parishes;
- expressed concern about the differences between each city ward, and that the city needed a number of Neighbourhood Councils across the whole City to prevent any disparities; and
- he had been a long advocate for unitary status but urged these concerns to be taken on board.

Leader, Councillor Bialyk:

- praised Members for the positive discussion and debate;
- he stated that he was hoping to gain unanimous support;
- felt that it was important that the Council did not replicate mistakes made previously;
- the Council needed to put a bid in for the 28<sup>th</sup> of November;
- the democratic deficit was important, and this would provide an opportunity for people living in the proposed area to have a say on what happens in Exeter;
- Alphington, Topsham, and Pinhoe had not always been part of the city, and that the city had evolved;
- he did not know who the Leader of the new authority would be and it was not for the current Council to dictate all the policies;
- the unitary would be based partly on the results of the financial modelling;
- it would not be the new council's intention to carry on delivering services as they had been delivered by DCC;
- this would be the best change to local government in the city for nearly 50 years; and
- he and the Chief Executive were both happy to talk with others and wanted to achieve the best possible option for all of Devon.

Following a vote, the recommendations were CARRIED.

(The meeting commenced at 6.00 pm and closed at 7.27 pm)

Chair

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## CUSTOMER FOCUS SCRUTINY COMMITTEE

23 June 2025

### Present:

Councillor Councillor Catherine Rees (Chair)

Councillors Cookson, Begley, Darling, Fullam, Holland, Hussain, Moore, Parkhouse, Payne, Pole, Read, Snow and Wardle

### Apologies:

Councillors

### Also present:

Strategic Director for Place, Strategic Director for Corporate Resources, Strategic Director for People and Communities, Head of Legal and Democratic Services & Monitoring Officer, Head of Culture and Leisure, Planning Solicitor and Democratic Services Officer

### In attendance:

- Councillor Bialyk - Leader of the Council
- Councillor Wright - Deputy Leader & Portfolio Holder for Corporate Services, Community Safety and City Centre
- Councillor Asvachin - Portfolio Holder for Housing, Homelessness Prevention and Customer Services
- Councillor Foale - Portfolio Holder for Arts, Culture & Tourism
- Councillor Patrick - Portfolio Holder for City Development
- Councillor Vizard - Portfolio Holder for Climate, Ecological Change and Communities
- Councillor R. Williams - Portfolio Holder for City Management
- Councillor Wood - Portfolio Holder for Leisure Services & Healthy Living
- Councillor Harding
- Councillor Haigh speaking on item 4 (Minute No. 63 below) - speaking under Standing Order No. 44

## 62 **Declarations of Interest**

No declarations of interest were made by Members.

## 63 **Petition: Proposed Closure of Northbrook Pool**

The Chair welcomed everyone to the meeting making the following statement:

“As the new Chair, I would like to say a few words about the purpose of scrutiny and how I see us working together to fulfil our function as members of this scrutiny committee.

A well-functioning Council is open to challenge, open to scrutiny. This is an important opportunity to step back, gain a strategic wider perspective on specific issues, as well as delving down and exploring what we do in detail, with the aim of improving the outcomes for the residents of Exeter, who we serve on this Council.

I believe that this is best achieved when we work together, drawing upon one another's strengths, being open to different perspectives, and drawing upon the collective wisdom of the group. For people to speak openly and honestly, we need to create an environment of safety and trust – an environment in which everyone (fellow Councillors, Officers, members of the public, and guests) is treated with respect.

When people feel criticised, it is natural to become defensive. We have all experience that, I'm sure - wanting to defend what we've done and why we've done it. I'm sure we have also all experienced the difference it makes when people ask us questions that come from a place of genuine interest and collegiality. When we build relationships of trust, we are more able to welcome challenge.

So, I urge us all to phrase our contributions in a way that is focused on achieving our shared aim of improving how we work as a council, and ultimately how we can improve the outcomes for the residents of Exeter. That's what we are here for.

This is not a place for blaming, public shaming and political point scoring, as this creates an atmosphere of anxiety and mistrust. Instead, this is a place for open, honest dialogue and healthy challenge. We are all here for the same purpose and we all want to serve the residents of Exeter to the best of our ability. To do that, we need to work together."

Councillor Moore moved scrutiny procedural rule number 16 requested that any party whip be disclosed.

Councillor Snow stated that he was Labour whip but that his party had not been whipped.

Other party whips all stated that no whip had been issued.

The Chair invited the petition organisers to present their evidence.

Sarah Hornsby presented her evidence making the following points:

- that a more detailed report had been provided to Members ahead of the meeting and that the group had spoken to the Lifesaving Society and swimming teacher;
- asked that Exeter City Council (ECC) reach out to Sport England and the Department of Culture, Media and Sport;
- St Sidwell's Point was fantastic but more liveable cities had developed since it was built and people were less active now as a result of working from home;
- Northbrook served the whole of Exeter;
- The petition group had worked hard researching and had spoken to many people and groups locally as well as further afield;
- hoped that they had proved that Northbrook could generate more income; and
- sought a definite outcome and that internal culture be looked at.

Richard Ilsley, of WEFTE presented his evidence, making the following points:

- Northbrook was an easy target and there was no plan B;
- this targeted an area where people were not confident in challenging authority;
- he was grateful to receive a letter from the Lord Mayor commending the behaviour of petitioners and also to those councillors who had read the testimonies provided;
- he believed that ECC had made their plans for the land leased to them by Northbrook and that planning permission would be sought for the building to be demolished in August which would explain why the pool had been allowed to be run down;
- appreciated this scrutiny meeting but information requests had been delayed and he believed that the pool would become another housing development with little access;
- any money saved would pay interest on St Sidwell's Point on which a lot had been spent already; and

- that the group were angry that money would be spent on Riverside after announcing the closure of Northbrook and the same support was not offered.

Colleen Natola presented her evidence, making the following points:

- that this was Clifton Hill repeating itself but with a consultation secured;
- the outcome of the consultation confirmed their belief that the closure would have a real-world impact;
- buses to SSP were promised but there was no commitment of who would pay for this;
- this closure had not been thought through and she believed that this was a breach of the Equality Act;
- she had spoken to a neurodiversity training organisation and SSP was not a sensory-friendly environment;
- the Education Act mandated swimming and the transportation time would impact schools and swimming would no longer be cost-effective;
- WEFTE and aqua took up 16 hours and SSP would need to find time and she believed this was full and that Riverside would not be able to accommodate;
- there would be no access, affordability, curriculum flexibility and swimming would be eradicated; and
- the current users had managed with the changing rooms as they were, without a disabled toilet and she believed that the £500,000 cost to comply with the DDA was not a contract of good faith or democracy but rather an autocratic system.

The Chair invited Councillor Haigh to speak, having given notice under Standing Order No. 44, who made the following points:

- that the pool remain open but with a practical viable way forward to protect this community asset and ease the budget;
- it was understood that investment was needed but closure would require investment in public health;
- short term support from the Council may be required in considering a charitable community trust model and there were opportunities to involve Devon County Council and work collaboratively with Northbrook Trust;
- income had been constrained by short opening hours and lack of marketing;
- extended opening hours could allow birthday parties to be restored along with school and possibly Larches Swimming club;
- Beacon Heath and East Exeter was growing rapidly and if Northbrook closed then the fastest growing part of the city could be left with no pool which would undermine the aspiration to become the most active city;
- a low-cost inclusive club could serve the community and shape a better future where people have a voice; and
- this ward deserved support and could work together to follow the example of Topsham pool to help it survive not just thrive.

The Strategic Director for Place responded to Members questions making the following point, that the challenges in creating inclusive environments were recognised and efforts were underway to improve accessibility in existing centres

The petition organisers responded to Members questions making the following points:

- they had not been approached to discuss alternative ways to keep the pool open;

- they wanted to keep the pool open even with a broken boiler, no disabled toilet and broken showers;
- there were no figures for footfall;
- swimming at the pool had reopened after the pandemic with a reduced timetable with clubs not booked in and schools less often;
- advertising had online been online and only one poster had been seen and this should have been in a local newsletter and schools;
- the pool had been closed at weekends;
- a good proportion of WEFTE members were over 80 years of age and managed with the issues faced at Northbrook;
- WEFTE had owed the Council up to £7,000 at one time as they hadn't been requested to pay but the money was waiting; and
- a fuller timetable of opening would increase income.

The petition organisers and community were thanked by a number of Members for their time, effort, coordination and for sharing their personal stories.

The Strategic Director for Place presented the report making the following points:

- in February 2025 the Council set a balanced budget with no decision made about Northbrook and since this time the team had compiled comprehensive data to present to the Executive which would take place the following evening;
- there were three key sections: Firstly, Detailed and accurate financial and usage data regarding the pool including targeted efforts to increase usage since 2000 when leisure was brought back in-house. The pool operated at a substantial loss requiring £600,000 subsidy. Significant capital investment would be needed to bring the facility up to modern standards, be fully accessible, and to reduce carbon emissions, would be in the region of £2.1 million. Secondly, extensive consultation with those who would be most impacted had been carried out; and
- there had been open public consultation, surveys of users' groups and follow-up telephone calls and meetings. The results had provided qualitative information which enabled understanding of the impacts of the potential closure and thirdly an Equality Impact Assessment had been undertaken giving a comprehensive understanding of the impacts on pool users and those with protected characteristics and how these could be mitigated.

The Chair stated that she understood that there were recommendations from Members of the committee and asked that questions and discussion took place first in order to seek consensus.

The Strategic Director for Place and Head of Culture and Leisure responded to Members questions in the following terms:

- uptake had been minimal following advertising campaigns;
- campaigns had been targeted via social media which could target geographical areas;
- campaigns had been aligned with wider Exeter Leisure campaigns which had endeavoured to encourage summer holiday use of Northbrook;
- demographic targeting had also been used and work had been undertaken with Members who had delivered leaflets to schools, groups and communities;
- financial implications meant savings were required across leisure services;
- capital costs were estimates, based on known works undertaken at other facilities such as St Sidwell's Point and the Corn Exchange;
- the percentage other tickets would need to rise by in order to keep Northbrook open could be modelled but wasn't information currently held;

- information in the report was verified;
- leisure members chose their home club and that could be changed by emailing at any time;
- schools were engaged as part of the consultation and 12 schools had been worked with and of those 5 were in regard to Northbrook;
- schools were able to use their own swimming teachers at all pools;
- Sport England bid for funding unable to proceed due to proximity to other pools within the city;
- the EQIA set out some detail of the impacts should a decision be made to close the pool and also some of the mitigations but detailed measures would not begin unless a decision was made to close as this would be premature;
- should a decision be made to close the pool there would be a transition and mitigation process which would likely involve a 12-week period to work out what mitigation measures would be;
- the leisure service had skilled and experienced staff who understood how needs could be met within the existing portfolio including potential use of the smaller pool at St Sidwell's Point, they would also engage with focus groups to inform design of mitigation measures and work with those with protected characteristics;
- the Council carried out repairs and maintenance;
- the leisure service was considered as a whole as there were often inter-relationships within the costs of staffing;
- there was an objective to bring leisure services to a cost-neutral position as it was a discretionary service;
- the timetable had been out of action due to Government conditions of the pandemic following which usage across the whole leisure portfolio had been considered and the timetable created from there;
- the timetable was reduced but data not available regarding change of users;
- the report did not include the costs of closing the facility and did not set out a phased approach to works. This would be determined, only if the Council decides to close the pool;
- there was no capital investment programme for the pool; and
- a phased programme of investment had not been considered as the balanced budget had required savings across the leisure portfolio of over £500,000 with officers tasked with identifying how these could be made.

The Chair confirmed that Northbrook Trust were invited to the meeting and read their response as follows:

"Thank you for your invitation to Northbrook to attend this meeting.

Our position is that we have a lease in place with Exeter City Council (ECC) for the swimming pool with 70 years remaining on the duration. Until such time as ECC take a decision on whether they want to enter into discussions with us over terminating the lease, it would not be appropriate for us to have any plans on what may or may not happen to the site in the future. For this reason, we respectfully decline your invitation to participate."

**The meeting took a break at 7:33pm and reconvened at 7:43pm.**

The Chair thanked Members of the Executive for being present to hear discussions of the Customer Focus Scrutiny Committee.

The Monitoring Officer clarified that the Council's obligations under the Equality Act were set out in the report and that Education provisions were a matter for schools.

The Strategic Director for Place, Strategic Director for Corporate Resources and Head of Service Culture and Leisure:

- the Council chose to maintain Northbrook despite not being obliged under the terms of the lease;
- a small section of an email had been shared and additional wording included that any decision would be 'subject to carrying out necessary consultation and an impact assessment';
- staffing costs had increased more than stated;
- £286,000 was the approximate subsidy for Northbrook and on-costs were distributed differently, in order to identify the detailed budget would need to be examined;
- DCC were not invited to attend; and
- in the current two-tier system education was the responsibility of DCC but the Council chose to work with schools and teachers.

The committee heard recommendations from Councillors Holland, Parkhouse, Read and Moore detailed below:

Councillor Holland proposed that the Customer Focus Scrutiny Committee recommend that the Executive defer any final decision on withdrawal of subsidy or closure of Northbrook Pool for a period of six months, to allow a full exploration of a community-led alternative operating model. Specifically, the committee recommends that:

1. A working group be established – including representatives from ECC< Devon County Council, the Northbrook Trust, Sport England, and local community stakeholders – to assess the viability of transitioning Northbrook Pool to a charitable trust.
2. A formal invitation be extended to the local community, through a public call for expressions of interest, to bring forward a costed business case for the operation of the pool under community governance.
3. Devon County Council be asked to confirm their commitment to supporting local school swimming provision, including how this could be delivered through a retained Northbrook Pool.

Councillor Parkhouse proposed that the Customer Focus Scrutiny Committee recommends that the Executive discuss the possibility of community ownership with Northbrook Trust and interested parties including community groups.

Councillor Read proposed that the Customer Focus Scrutiny Committee recommends that before making a decision the Executive request officers create a new business plan investigating working with community and other stakeholders to investigate solutions.

Councillor Moore proposed that the Customer Focus Scrutiny Committee recommends to the Executive that the VAT reclaim be investigated to see how it might be reinvested for a portion to be invested in the future of Northbrook Pool.

The Strategic Director for Corporate Resources responded stating that the team would need to establish the position regarding the possibility of a voucher scheme as he was not a VAT expert and that Council had agreed that the funds would sit in a reserve and in order to change this a request would need to be made to council for a change of use of ear-marked reserves. VAT had been charged under HMRC

regulations which had subsequently been overturned and only half had been received at this point. It was important to note that this would be a one-off amount of money and not a long-term solution.

The Chair invited the Strategic Director for Place to read the email which he had sent on 27 February 2025 which had been intended for leisure colleagues, had detailed information and stated that the decision had been made to manage the closure of Northbrook Swimming Pool, subject to the completion of the necessary consultation and impact assessment.

The Strategic Directors for Place and Corporate Resources further clarified:

- when the budget was set in February levels of income and expenditure for each service gave officers the information to provide services. Sometimes there were legal processes which must be gone through, for example, car park charges required consultation. After all consultation last year, the Executive decided not to make an increase therefore unbalancing the budget whereupon it was necessary to go back and ask Council to identify other savings however in this instance there were savings elsewhere which covered the shortfall;
- parts of the building were a 100 years old and some of the issues were serious fabric issues and it must be considered whether it would be possible to address those issues and what capital investment would be required to do so;
- ECC did not own the building and the committee had heard that the Northbrook Trust had said they would not be prepared to enter discussions until after a decision was made to terminate the lease;
- grant funding difficulties encountered had been heard and Exeter was well-off with regard to swimming pools and the proximity argument remained. The realistic possibilities of grant funding to support a new management model would need to be considered as well as whether ECC was able to provide capital investment;
- should the council decide to close the pool, officers would facilitate a meeting with Northbrook Trust or other interested group to hear their views;
- further work had been done as part of the Exeter Plan, including working closely with Sport England which had determined that there was sufficient provision within the city;
- should there be a six-month delay there would be no in-year savings; and
- regarding community asset transfer it was important to note that this was not the Council's asset and the Council was not empowered to transfer leases.

The Monitoring Officer clarified that absolute detail was not available and that some but not all of the proposals put forward contained a delay and it was not the place of scrutiny to fetter a decision of the Executive.

The Strategic Directors for Place, Corporate Resources and People and Communities and Head of Service Culture and Leisure responded to Members comments in the following terms:

- there would be a phased transition plan which would be scoped and determined should a decision be taken to close the pool, this could take a matter of months;
- VAT detail was not available during the meeting however; funds were set aside in an ear-marked reserve and only Council could re-purpose this as the funds were held to protect the Council;
- the community asset transfer policy was clear and the person applying must be able to provide a business plan which was affordable and sustainable and that the freeholder was willing to accept this; and

- the lease was an older one and therefore not a more usual model.

The Monitoring Officer stated that one proposal did not involve the Executive delaying a response and the savings were required to be made.

Councillor Holland proposed and Councillor Payne seconded that Councillor Holland proposed that the Customer Focus Scrutiny Committee recommend that the Executive defer any final decision on withdrawal of subsidy or closure of Northbrook Pool for a period of six months, to allow a full exploration of a community-led alternative operating model and following a vote was NOT CARRIED.

Councillor Read proposed and Councillor Moore seconded that before making a decision on closure the Executive instigate the community asset transfer policy to investigate alternatives to closure working with the community, other stakeholders to investigate solutions which following a vote was NOT CARRIED.

Councillor Parkhouse proposed and Councillor Snow seconded that the Executive discuss the possibility of community ownership with the Northbrook Trust and interested parties including community groups which following a vote was CARRIED.

Councillor Moore proposed and Councillor Read seconded that the VAT reclaim be investigated to see how a portion might be reinvested in the future of the Northbrook Pool which following a vote was CARRIED.

The meeting commenced at 5.30 pm and closed at 9.20 pm

Chair

## CUSTOMER FOCUS SCRUTINY COMMITTEE

3 July 2025

### Present:

Councillor Catherine Rees (Chair)

Councillors Cookson, Begley, Darling, Fullam, Holland, Hussain, Moore, Parkhouse, Payne, Pole, Read and Snow

### Apologies:

Councillor Wardle

### Also present:

Strategic Director for Place, Strategic Director for Corporate Resources, Planning Solicitor, Head of Service Operations, Head of Service - City Centre and Net Zero, Head of Service - Finance and Democratic Services Officer

### In attendance as Portfolio Holder:

Councillors Asvachin, Vizard and Williams R.

#### 64 **Minutes**

The minutes of the meeting of the Customer Focus Scrutiny Committee held on 30 January 2025 were taken as read, approved and signed by the Chair as a true and accurate record.

#### 65 **Declarations of Interest**

No declarations of interest were made by Members.

#### 66 **Questions from the Public under Standing Order No. 19**

There were no questions from members of the public.

#### 67 **Questions from Members of the Council under Standing Order No. 20**

There were no questions submitted in advance from Members.

In accordance with Standing Order No. 20 the following questions were asked of Portfolio Holders who were present.

Councillor Read asked the Portfolio Holder for City Management what action could be taken with regard to green algae which was not dangerous to dogs but could distress fish. Councillor Ruth Williams responded stating that the public could be reassured and it would be for the Environment Agency to undertake any mitigation.

In a supplementary question Councillor Read asked if the Portfolio Holder would push the Environment Agency as their response showed that they did not intend to take any action. The Portfolio Holder requested sight of the response from the Environment Agency.

Councillor Parkhouse asked the Portfolio Holder for City Management if there had been any challenges with the roll out of food waste collections particularly in more densely populated areas and HMOs. Councillor R Williams responded stating that the roll out was going well with over 50% of homes now having a food waste collection. It had been identified that annual dissemination of information regarding

collections would be needed to areas such as those with a student population or a higher turnover of residents and that some blocks of flats may require alternative solutions.

The Chair asked if it would be helpful for information to be shared in community groups which Members may be involved in and Councillor R Williams responded that it would and that food and garden waste collections were earlier than refuse and recycling collections and that fluorescent stickers had been provided for food waste bins to make them more visible. She also stated that crews would come back if a food waste bin was missed and that this could be reported immediately it was missed, there was no need to wait until the end of the day. Finally, the Portfolio Holder suggested that residents are encouraged to follow Denis the Dustcart for further tips but stressed that vape batteries must not be put in bins given a recent fire in a waste lorry within the city.

Councillor Moore asked the Portfolio Holder for City Management whether the food waste roll-out would be complete this year and Councillor Ruth Williams responded that the planned end was 2025/26 but it may be that this would stretch into 2026/27.

Councillor Moore asked the Portfolio Holder for City Management what preparation was taking place for doorstep glass collection roll-out and Councillor Ruth Williams responded that there were no plans at present as there was not funding. She added that were there to be funding for extra crews and vehicles then this would be considered and that current arrangements were doing well compared to other Devon districts and black bin comparisons were comparable to others who had doorstep glass collection.

Councillor Read asked the Portfolio Holder for Climate, Ecological Change and Communities about the wording being provided to Gatherwell regarding Exeter Community Lottery. Councillor Vizard, as Portfolio Holder stated that the wording had been agreed but invited Councillor Read to send concerns to him and he would follow up.

Councillor Moore asked the Portfolio Holder for Climate, Ecological Change and Communities if the wording regarding the Community Lottery could be changed in council press releases and the Portfolio Holder responded that he would look into this but that the wording was in line with national policy and that he did not wish to over-complicate the message.

The Chair asked the Portfolio Holder for Climate, Ecological Change and Communities if there was a way in which amendments to the council website could be more agile and the Portfolio Holder responded that there was a link to the Council website from the Gatherwell and the agreed wording would apply to both but some timescales were beyond the Council's control.

**68      Petition: Eton Walk Refuse bin (reinstatement)**

The Chair announced that there had been a development and that the report regarding this item had been withdrawn. The petitioner had been invited to the meeting but had not responded.

**69      Anti-Social Behaviour in the City Centre**

The Chair announced that the guests expected were not present due to a discussion at Chair's Briefing where it was realised that this was a wide topic and should be

given sufficient attention to gain a holistic picture and deserved more time and organisation to obtain the correct evidence.

The Head of Service - City Centre and Net Zero gave a short presentation making the following points:

- that this was a challenging and complex area;
- the High Sherriff had convened a meeting which was due to discuss the same topic including impact on the business community and Voluntary and Community Sector Organisations;
- the Strategic Director for Place was now the Chair of the Community Safety Partnership which had an annual action plan which was beginning now and did not coincide with this meeting; and
- not all types of ASB had an impact on the city centre and consideration should be given to which to focus and therefore who should be invited.

During discussion Members made the following points:

- representation from people whose voices may not be heard as readily would be desirable with suggestions such as supporters of the football club, mosque and young people; and
- inviting wider representation was welcomed and suggestions made of Inclusive Exeter, Intercom Trust and Co-lab.

Councillor Michael Mitchell was invited to the table as proposer of the item and made the following points:

- the item had been scoped at Scrutiny Programme Board and he had spoken to outside bodies who were keen to give evidence;
- this began with a resident who had spoken to Councillor Palmer following him and his daughter having suffered a knife attack;
- other reports from residents of anti-social behaviour in the city centre and the impact on vulnerable people were detailed; and
- it was unacceptable for a small group of people to cause such issues and an initial meeting was needed to consider the causes and possible solutions.

The Strategic Director for Place explained that ASB was one of five priorities of the Community Safety Partnership, which was a multi-agency, statutory partnership. A sub-group of the partnership and chaired by InExeter was reviewing and coordinating work undertaken by partners and a report would be brought in September, as part of the call for evidence.

Discussion took place upon which organisations should be invited to the September meeting in order to give evidence and consensus that this may not be a topic for a singular meeting. The possibility of scrutiny being a public space for people to come together to hear the public and community perception as well as what businesses and agencies are doing to combat ASB.

Examples of ASB in a number of wards were given by Members and discussion regarding crime logging and evidence thresholds took place with some positive outcomes cited as well as the need for education and communication to residents.

Councillor Payne shared his knowledge of the Councillor Advocate Scheme, information regarding which can be found here: <https://devonandcornwall-pcc.gov.uk/councillor-advocate-scheme>

The Chair noted that full representation was needed and listed the following groups for inclusion on an invitation list for the September meeting:

- Inclusive Exeter;
- young people (perhaps Exeter College);
- Intercom Trust LGBTQ+ community;
- Mosque;
- Co-lab;
- Safer Exeter (Exeter Community Safety Partnership);
- University of Exeter;
- St Petrock's;
- Devon & Cornwall Police
- Exeter Football Club
- Taxi driver representative; and
- Together Devon (Drug and alcohol services).

The Chair clarified that it was important to have the opportunity to hear from those who had not contributed through the CSP and directly from the community.

The Chair explained that there appeared to be two proposals, firstly that CSP and police were invited to the next meeting and secondly that the CSP plus the above list of people were invited.

Councillor Hussain stated that the mosque was not represented on the CSP and would need to be contacted directly.

Councillor Parkhouse proposed, seconded by Councillor Darling that CSP and Police be invited to the September meeting to present on ASB.

The Chair proposed an amendment to the proposal, "that the CSP and Police are invited in September and in addition – Inclusive Exeter, Exeter College (young people), Intercom Trust, Together Devon (Drug and Alcohol Service), taxi representative, Football Club and mosque representatives", which following a vote was carried.

A vote on the motion as amended was CARRIED unanimously.

The Chair explained that each attendee would be asked to present for up to five minutes on the two questions set out in the March minutes: ASB in the city centre, its causes and possible solutions.

## 70 **Quarter 4 Budget Scrutiny**

The Strategic Director for Corporate Resources presented the report making the following points:

- all documents provided had been considered by Full Council and this was an opportunity to ask questions to better understand the financial position;
- he was currently conducting a review of how financial information was presented to Members and endeavouring to make it more user-friendly especially at the end of the year; and
- any underspend at the end of the year can be caused by late funding from government and there was a will to make the true position for each service more understandable.

The Strategic Director for Corporate Resources responded to Members questions in the following terms:

- he would ask the museum service for performance data to give a fuller answer but the previous café owner had given notice and a trial was being undertaken with the team who run the café at St Sidwell's Point and there was a small budget for this;
- the St Sidwell's Point café staff were council employees;
- £1.1 million of the required £1.4 million had been delivered and this was the purpose of carrying reserves, to support and protect the Council should all savings not be made;
- budget savings can prove to be challenging and setting income targets was a projection and may run short as it involved a range of assumptions and central government sometimes made changes;
- a best estimate was £5.7 million savings required over the next three years;
- Government was committed to business rate reset and this was the single reason for the required reductions;
- there were some issues of staff shortage making some projects difficult to deliver and Members could ask any Head of Service why projects which had been signed off were not being delivered;
- it may have helped if the business rate retention scheme had been reset in 2018;
- some council's had found this useful in balancing changes in government grants;
- the council did not respond to the consultation but have commissioned some indicative work;
- there were pockets of deprivation but compared to other areas in the country Exeter did not score highly for deprivation;
- with Local Government reorganisation the Guildhall would no longer be suitable for office relocation and options were being considered and would be taken back to full Council at the appropriate time;
- the idea had been to fund works from the Guildhall shopping centre surplus in order to free the Civic Centre for housing;
- there was an assessment of the number of people who don't live in the city but travel in which used a formula to calculate how much funding was received;
- an amount was being paid to fund the backdated pension deficit;
- pension valuation was being undertaken and there was an improved position;
- the valuation was designed to meet an accounting standard which was calculated differently to a triennial valuation;
- it was very difficult to project pension contributions but there was a three-year agreed amount and above this the tendency was to increase slightly each year;
- information would be provided by Devon County Council as they administered local pension;
- last year Strata's pension fund broke-even and Exeter's was into the 90 percents from an accounting point of view;
- there were different types of debt and income generated through a range of sources but some debts could be quite old but would be chased if tenant was in situ as arrears and would become debt when the tenancy was ended;
- there were two processes which would be followed for debt depending on whether the tenant was existing or previous;
- there were vacancies in some areas and one was the central sundry debt team but work on resolving this was being undertaken;
- a range of techniques were used to recover debt with three areas where write-off was sought – uneconomical, low value debt, if a company or individual was declared bankrupt, had a debt order or Individual Voluntary Arrangement where

there was no means to recover the debt or where all avenues had been exhausted;

- the write-off process would depend upon the value of the debt but would always involve the Strategic Director and on occasion the Portfolio Holder where the value of the debt required;
- earmarked reserves titled Sure Start remained due to funds having been provided by Sure Start in 2005 to provide a play area and must be kept forever in order to provide interest for maintenance and stood at around £20,000;
- he would take back to the service the questions of what the difficulties in appointing a project manager and the ensuing delays in leisure enhancements and what measures were being taken;
- he would also ask the service to respond regarding which initiatives had not begun utilising CIL funds;
- Wellbeing Exeter was funded through CIL Neighbourhood funding and was reliant on the amount of CIL collected and delays to developments could cause challenges;
- there was a plan to alleviate and support temporary accommodation which related to the General Fund and a particular length of lease was required for the maximum housing benefit subsidy and this had to sit within the HRA;
- the risk that rental income wouldn't be sufficient had been considered but deemed a low risk in respect of these properties;
- HRA was self-contained and funds would need to be found elsewhere in the budget, usually by scaling back the capital programme should the repayment not be met; and
- it would not be possible for earmarked reserves to be used for murals; this would usually come from annual maintenance budgets and the one for the play area was specific.

## 71 **Medium Term Financial Plan**

The Strategic Director for Corporate Resources presented the report giving a presentation making the following points:

- business rate growth reduction was huge and there had been a projection in cash terms by an expert that ECC would get back to the same point by 2031;
- the starting point was the budget as approved in February;
- the end of the new homes' bonus had been confirmed;
- district councils would suffer more than other areas of local government as the positive income streams which proved beneficial were the ones which were going;
- a spending review had been confirmed including a council tax referendum as previously;
- council tax was increasing by a similar amount to other districts in the country;
- the housing benefit administration grant was reducing year on year as the transfer to Universal Credit took place and was managed by the Department for Work and Pensions(DWP);
- there was transitional relief where bills had increased but immediate benefit could be seen;
- inflation was calculated at a high level based on an estimated pay award of 3% but aware that two unions had rejected a 3.2% offer and were considering next steps;
- calculations went down slightly as it was estimated that the workforce would reduce slightly as budget cuts were made;
- 2025/26 reflected additional funds to reflect increased National Insurance contributions;

- inflation was not provided for all budgets but was for those which were critical;
- net interest was relatively stable and it was expected that there would continue to be a reduction in cash invested;
- the council was not looking to borrow externally at this time; and
- the key risk slide showed that the DWP were exploring pension age claimants being transferred to pension credit which could reduce the council's work leaving only challenging cases which would see a reduced grant but would be resource intensive meaning officers would be required.

## 72 **Box-shifting Update**

The report on Box-shifting was taken as read and Members were advised that the council complied with legislation and was waiting for central government to assess the impact and look at anti-avoidance regulations.

The Head of Service Finance responded to Members questions making the following points:

- the Business Rates Team carried out inspections of those box-shifting to ensure compliance with legislation; and
- from 1<sup>st</sup> April 2024 the Government extended the re-set period for empty property relief (EPR) from 6 weeks to 13 weeks and the impact on Exeter was broadly as forecast, with only a modest reduction in the level of EPR and no significant reduction in the number of businesses that show signs of practicing 'box shifting'.

Councillor Moore proposed a motion, seconded by Councillor Holland, that the Customer Focus Scrutiny Committee request that the Executive Findings from this work are sent to government with a request that Local Authorities were given more powers when deciding when empty property rates relief can legitimately be granted.

The Councillor felt that it was a good idea to send feedback to government but not sure about giving powers to Local Authorities and proposed that the motion be amended.

In response to a Member's question, the following information was provided:

- the government planned to consult on anti-avoidance;
- the Welsh Government had concluded their consultation and proposals would take effect from April 2026;
- local powers may not be needed as banning the practice had been campaigned for nationally; and
- it was likely that the government would closely monitor what took place in Wales and may bring forward similar legislation.

Councillor Read and Councillor Moore accepted the amendment proposed by Councillor Pole and following a vote was unanimously CARRIED.

## 73 **Scrutiny Annual Report**

The Chair thanked Councillor Matthew Williams for attending and invited him, as Chair of the Scrutiny Programme Board to present the Annual Scrutiny Report.

Councillor Matthew Williams presented the report making the following points:

- he thanked the Democratic Services Officer for positive changes to the report and stated that this would continue to develop;
- the report had been brought in line with the municipal year; and
- he thanked members of the Scrutiny Programme Board, Councillors Parkhouse, Rees, Mitchell, M., and Pole for their work on the report.

During discussion Members made the following points:

- a reduction in property costs for Citizens Advice Exeter had been realised and could be listed as an impact;
- information presented to the public changed as a result of scrutiny of the community lottery could also be seen as an impact;
- outputs or outcomes might better represent what was currently listed under Impact;
- impact may not be seen within the timescale for an annual report;
- an updated Asset Management Policy had not yet been seen;
- there was a need to avoid acronyms.

The Chair moved and Councillor Cookson seconded the recommendation as set out in the report and following a vote was CARRIED unanimously.

#### 74 **Scrutiny Work Plan and Proposals Received**

The Chair sought and gained the approval of the committee to move the two items scheduled for September to the January meeting given the importance of the Anti-Social Behaviour in the City Centre item.

During discussion it was agreed that Councillor's Wright and Vizard be asked to present their Portfolio Holder updates at the September meeting and Councillor Ruth Williams in March 2026.

Following a unanimous vote the draft Scrutiny Work Plan, as amended was **AGREED**.

The meeting commenced at 5.30 pm and closed at 8.56 pm

Chair

# Customer Focus Scrutiny Committee

## MTFP & Budget Setting

### 3 July 2025

# Agenda

- What is the MTFP;
- Components of the MTFP;
- The Budget Gap;
- Risks;
- High Level Timetable
- Role of Scrutiny;
- Questions for Scrutiny.

# What is the MTFP?

- High level forecasting tool to project Resources and Expenditure over the next four years;
- Uses a range of assumptions to project forward;
- Forecasts both funding and expenditure;
- Identifies the gap between funding and expenditure (if there is one).

# Starting Point

## Service Committee Net Expenditure

Net Interest

Revenue Contribution to Capital

Minimum Revenue Provision

## General Fund Expenditure

Transfer To/(From) Working Balance

Transfer To/(From) Earmarked Reserves

## General Fund Net Expenditure

Formula Grant

CIL income

Business Rates Growth

Extended Producer Responsibility

New Homes Bonus

Council Tax

## Working Balance

2024/25 Budget	2025/26 Budget	Change
£	£	£
16,750,780	16,170,240	(580,540)
1,406,000	1,475,000	69,000
0	88,760	88,760
1,831,020	2,702,000	870,980
19,987,800	20,436,000	448,200
(1,313,430)	16,370	1,329,800
337,000	1,447,780	1,110,780
19,011,370	21,900,150	2,888,780
(6,291,000)	(5,931,000)	360,000
(781,000)	(798,360)	(17,360)
(4,283,880)	(5,382,000)	(1,098,120)
0	(1,410,000)	(1,410,000)
(485,920)	(872,000)	(386,080)
(7,169,570)	(7,506,790)	(337,220)
0	0	0

March 2025  
4,057,560

March 2026  
4,073,930

# Funding

# Components

## Grants / Business Rates / NHB

	2023/24 £m	2024/25 £m	2025/26 £m	2026/27 £m	2027/28 £m
Business Rates	8.2	6.4	9.1	5.9	6.0
New Homes Bonus	0.7	0.5	0.9	-	-
Council Tax	6.7	7.0	7.4	7.7	8.0
Grants	1.6	2.0	1.2	1.6	1.1
<b>Total Resources</b>	<b>17.2</b>	<b>15.9</b>	<b>18.6</b>	<b>15.2</b>	<b>15.2</b>
<i>Annual % change</i>		-7.2%	16.8%	-18.2%	0.0%

# Components

## Council Tax Calculation

	2024/25	2025/26	2026/27	2027/28	2028/29
Total Band D Equivalents	40,046	40,874	41,283	41,696	42,113
Collection Rate	97.5%	97.5%	97.5%	97.5%	97.5%
Council Tax Base	39,045	39,852	40,251	40,653	41,060
<b>Council Tax (Band D)</b>	<b>£180.37</b>	<b>£185.76</b>	<b>£191.31</b>	<b>£197.03</b>	<b>£202.93</b>
Surplus/(Deficit)	127,014	103,692			
<b>Council Tax Collected (£'000)</b>	<b>£7,170</b>	<b>£7,507</b>	<b>£7,701</b>	<b>£8,010</b>	<b>£8,332</b>

### Assumptions

- Taxbase increase of 1% annually;
- Council Tax increases by referendum limit annually (2.99%)

# Expenditure

# Components

## Spending Pressures

	2025/26 £000's	2026/27 £000's	2027/28 £000's	2027/28 £000's
<b><u>Unavoidable or Already Committed from Previous Years</u></b>				
Fleet maintenance	95			
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		
	<b>266</b>	<b>210</b>	<b>85</b>	<b>85</b>
<b><u>New Revenue Bids - Recurring</u></b>				
PT Payroll Post	18			
Comms Post	58			
Communities posts - remove CIL funding	81			
PT Property Lawyer	38			
Insurance over inflation	70			
CCTV Maintenance	80			
Guildhall Surplus reduction (offset by earmarked reserve)	299			
	<b>644</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b><u>New Revenue Bids - Non Recurring</u></b>				
	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b><u>Revenue Costs Arising from New Capital Bids</u></b>				
Unsupported Borrowing Costs of Capital - Repayment of Loan				
	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>TOTAL</b>	<b>910</b>	<b>210</b>	<b>85</b>	<b>85</b>

# Components

## Inflation

	2022/23 £'000	2023/24 £'000	2024/25 £'000	2025/26 £'000	2026/27 £'000	2027/28 £'000	2028/29 £'000	Total £'000
<b>Pay</b>								
Base 2021-22	27,695	524	1,066	1,487	1,190	1,014	1,044	7,401
One off catch up for higher award		998	837					1,835
Additional NI				723				
<b>Supplies &amp; Services</b>								
General	1,134	1,082	1,130	1,190	1,226	1,262	1,300	8,325
Higher energy		1,737	(600)					
<b>Income</b>	(1,034)	(1,065)	(1,282)	(1,532)	(1,578)	(1,625)	(1,674)	(9,790)
	624	3,818	1,572	1,571	662	681	702	7,770

## Assumptions

- Various assumptions around the pay award and general inflation

# Components

## Net Interest Position

	2024/25 £'000	2025/26 £'000	2026/27 £'000	2027/28 £'000	2028/29 £'000	Total £'000
<b>Interest received</b>						
Prop Fund	(225)	(225)	(225)	(225)	(225)	(1,125)
DevCo						0
General	(1,700)	(1,400)	(1,300)	(1,200)	(1,200)	(6,800)
Other Interest	(4)	(39)	(39)	(39)	(39)	(160)
<b>Interest Payable</b>						
HRA / S106 / Trust Funds	1,006	805	800	750	750	4,111
DevCo Loan	81	80	79	78	78	396
Senate	134	131	127	123	123	638
Regus	65	63	60	57	57	302
Guildhall	761	751	741	731	731	3,715
Leisure Complex Loans	608	597	592	584	584	2,965
Riverside Loans						0
IFRS Lease		12	12	12	12	48
Fleet Lease	180	190	200	210	210	990
Waste Project						0
Short term borrowing		510	510	510	510	2,040
	<b>906</b>	<b>1,475</b>	<b>1,557</b>	<b>1,591</b>	<b>1,591</b>	<b>7,120</b>

## Assumptions

- Interest rates to drop gradually to 3.5% and remain around this level.

# The Budget Gap

## Summary Medium Term Financial Plan

	2024/25 £'000	2025/26 £'000	2026/27 £'000	2027/28 £'000	2028/29 £'000	
<b>Resources</b>						
Revenue Support Grant	1,975	1,384	1,652	1,685	1,719	
Business Rates Income	8,784	9,929	6,932	6,541	6,119	
CIL income	907	798	793	793	793	
New Homes Bonus	486	872	0	0	0	
EPR	0	1,410	1,000	1,000	1,000	
Council Tax	7,170	7,507	7,701	8,010	8,332	
<b>Likely resources</b>	<b>19,322</b>	<b>21,900</b>	<b>18,078</b>	<b>18,029</b>	<b>17,963</b>	
<b>Expenditure</b>						
<b>Service expenditure</b>						
Committee expenditure	23,498	18,570	17,041	14,821	13,958	
Net Interest	1,386	1,475	1,557	1,591	1,591	
Repayment of debt	1,726	2,702	2,803	2,630	2,739	
RCCO	198	89	0	0	0	
	26,808	22,836	21,401	19,042	18,288	
<b>Other funding</b>						
Contribution to/ (from) earmarked reserves	(5,661)	1,447	384	765	765	
Contribution to/ (from) balances - Other	(1,825)	17	(720)	(128)	10	
	(7,486)	1,464	(336)	637	775	
<b>Further reductions required</b>		0	(2,100)	(1,250)	(1,100)	(4,450)
<b>Potential reductions identified</b>		(2,400)	(887)	(400)	0	(1,287)
<b>Total Net Budget</b>	<b>19,322</b>	<b>21,900</b>	<b>18,078</b>	<b>18,029</b>	<b>17,963</b>	
						<b>(5,737)</b>

# Risks

- Housing Benefit – working age claimants transfer to Universal credit has been brought forward to 2026 – may increase reduction in Admin Grant.

# High Level Timetable

- July - SMB review and sense check Service Review Proposals;
- Aug - Sept - Detailed workshops with SMB & Executive to establish & review proposals;
- Oct - Final Proposals;
- Nov - Dec - Detailed Budget Preparation by Finance Team;
- Jan - Set Taxbase & Business Rates;
- Jan - Informal Member Briefing;
- Feb - Budget to Executive, Combined Scrutiny & Council.

# Role of Scrutiny

- Challenge Assumptions;
- Identify Missing Elements;
- Propose Solutions;
- Challenge Solutions.

# Questions for Scrutiny

- Do you want to be part of the solution – i.e. attempting to identify ways of bridging the gap or
  - Member Working Groups etc;
- Do you want to scrutinise proposals at the end of process?
  - Probably need one more budget review meeting;
- What do you need to effectively challenge assumptions?
- What's missing – are there any further risks?

## **AUDIT AND GOVERNANCE COMMITTEE**

Thursday 17 July 2025

### **Present:**

Councillor Wardle (Chair)

Councillors Moore, Atkinson, Banyard, Begley, Holland, Knott, Miller-Boam, Mitchell, M, Payne, Snow and Williams, M

### **Also Present:**

Head of Legal and Democratic Services & Monitoring Officer, Planning Solicitor and Democratic Services Officer (LS)

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### **MINUTES**

The minutes of the special meeting held on 17 April 2025 were taken as read, approved and signed by the Chair as correct.

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### **DECLARATION OF INTERESTS**

No declarations of disclosable pecuniary interests were made.

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### **AMENDMENTS TO TERMS OF REFERENCE FOR THE JOINT CONSULTATION AND NEGOTIATION COMMITTEE**

The Monitoring Officer presented the report making the following points:

- the Unison branch officer had input into the amendments to the Terms of Reference;
- the previous meeting of the Audit and Governance Committee had sought clarification on consultation with all unions which had now been undertaken with no response;
- the Strategic Director for People and Communities had clarified that the wording in points 1 and 6 remained as 'Consultation' as this described the joint decision-making and consensual approach taken in the group; and
- the rationale for the removal of reference to 'terms of service' was that those documents still applied but the Terms of Reference recognised the wide range of issues over and above pay which were considered.

The Monitoring Officer responded to a question from a Member stating that as with any other committee should there not be a majority decision the Chair would cast the deciding vote.

Councillor Atkinson proposed, seconded by Councillor Knott, that given there had been full discussion on the matter at the previous meeting the committee move to the vote.

The Chair moved the recommendations as set out in the report which following a unanimous vote were CARRIED.

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### **CONSTITUTIONAL CHANGES**

The Monitoring Officer introduced the report making the following points:

- the Governance Sounding Board had been set up by this committee and Members had considered the City Development functions which had subsequently been approved by Council;
- the Governance Sounding Board played an important role in scrutinising amendments to the constitution;
- he drew attention to the reduction in the size of committees to 11 councillors and the move to allow substitute members; and
- the Solicitor would present the report in further detail.

The Chair invited Councillor Wright to speak as she had registered under Standing Order No. 44.

Councillor Wright, as Portfolio Holder for Corporate Services, Community Safety and City Centre made the following points:

- thanked everyone on the sounding board as this had been a cross-party endeavour with good input and some political questions raised;
- she drew attention to the closure motion at full council to avoid going beyond 3 hours to ensure more efficient work, especially as many councillors cross-party had raised the length of meetings over the last year as an issue;
- thanked the officers for their hard work in re-formatting, adding digital links and making the constitution more understandable and easier to navigate;
- there was nothing currently in the constitution regarding numbers of councillors on a committee and she believed these had increased over time with some councillors sitting on more than one committee meaning a lot of strenuous work whereas 11 retained political balance and the introduction of substitutes would ensure sufficient members are present which was important having been asked about sharing committees for health or caring reasons; and
- these changes would bring the Council in line with employment conditions where work continued if people are unable to attend and would support equality and allow councillors to take on the role and know they could have a substitute if they had a health condition.

The Solicitor presented the report making the following points:

- the constitution was the legal framework which underpinned everything we do: Members, officers and citizens;
- there had been piecemeal updates over the last 20 years but under the new Monitoring Officer this governance review would be carried out in two stages, this being the first;
- there would be a built-in annual review to reflect it would be a living document and there may be other elements which required amendment;
- the Monitoring Officer would lead the ongoing reviews;
- there would be a key change to the Standing Orders which were difficult to follow currently and not logically set out;
- Existing Standing Orders had been transposed into a modern format making them easier to read and use and more helpful to councillors during council meetings;
- The proposed reduction of committee membership in some cases from 14 to 11 would mean an overall reduction to 55 from 68 which would reduce the burden on Members and allow them to develop a specialism and enhance scrutiny;
- any concern that the reduction in numbers may impact decision-making due to absences would be offset by the introduction of substitutes who must be from same political party and have undertaken the requisite training and there would be a procedure to alert the Chair in advance;

- Council procedure rules would include more formality regarding Member questions at Council and would expand the scope of who these could be directed to whereas currently to the Chair or Leader;
- removal of the requirement to give advance notice of questions, however, should a substantive response be required then give notice would be recommended otherwise an answer would be provided in the minutes;
- the Length of time allocated to questions and answers would be formalised;
- additional notice for motions would give officers more time to process; and
- the scope of motions would be narrowed to ensure they remained relevant to city council functions and not relate to a motion discussed during the last 6 months.

The Chair thanked the Monitoring Officer and Solicitor for their work on this matter. During debate Members of the committee made the following points:

- annual reviews would be a vast improvement;
- reduction in numbers, maintaining political balance would ensure a more engaged group of councillors and more lively debate with the safeguard of appointing substitutes;
- language could be ambiguous therefore the ability to make amendments would be good;
- limiting the length of meetings should bring better focus and quality of debate;
- in other authorities substitutes were named at the beginning of the year and undertook training alongside substantive committee members;
- public speaking at extraordinary meetings had received mixed views at the sounding board; and
- some extraordinary meetings were in Part 2 which would then be difficult if there were to be public questions.

The Chief Executive, Monitoring Officer and Solicitor responded to Members questions in the following terms:

- rule 26 related to substitutes and Members must have undertaken the relevant training, verified by the Monitoring Officer;
- the logistics of training were not too prescriptive but groups and parties may wish to consider this at the beginning of the municipal year with potential substitutes undertaking the training;
- substitutes could be put in place up until the start of the meeting under rule 26.1 and the Monitoring Officer would need to be satisfied that papers had been read if a substitute was requested at 5pm on the day of a meeting;
- should any rules be deemed not fit for purpose they could be reviewed at the annual review;
- the issue of removing notice for questions being problematic could be looked into;
- substitutes would apply to official meetings of the council; and
- there was additional work to be done on other committees these changes related to full Council.

Councillor Moore proposed and Councillor Banyard seconded the motion that “public questions be allowed at extraordinary meetings only on the items on the agenda” which following a vote was NOT CARRIED.

During debate on the recommendations Members made the following points:

- as a closure motion would be 30 minutes there would be time to bring up each item and vote as to whether to adjourn, move to the next meeting or convene an extraordinary meeting;

- much of the wording was standard rules of debate which had lasted the test of time; and
- a glossary would be helpful as some language was technical.

The Monitoring Officer and Solicitor responded to Members comments and questions in the following terms:

- in respect of the closure motion there would be a vote in order to opt out of the closure procedure which would allow time for debate;
- there was an option to adjourn a meeting or debate as a motion without notice or to call an extraordinary meeting via resolution which would allow flexibility over unfinished items;
- a closure motion would not negate the ability to move another motion to move or defer an item;
- councillors to 'indicate' or 'stand if able' rather than that they will rise and the addition of a glossary could be dealt with as a minor amendment;
- the petition scheme was not in the next amendments to be undertaken as those would look at the Executive and committees but would be looked at in due course; and
- amendments to minutes of meetings procedure was clear as it was.

The Chair moved and Councillor Payne seconded, the recommendations as set out in the report which following a vote were CARRIED.

(The meeting commenced at 5.30 pm and closed at 6.55 pm)

Chair

## **Audit and Governance Committee – 17 July 2025**

### **Recommendations to Council**

#### **Minute No. 66 – Report - Amendments to Terms of Reference for the Joint Consultation and Negotiation Committee**

- [Appendix A - Proposed JCNC TOR Typo corrected July 2025](#)
- [Appendix B - Existing Terms of Reference](#)

#### **Minute No. 67 – Report - Constitutional Changes**

- [Appendix 1 - New Council Procedure Rules Final](#)
- [Appendix 2 - Side-by-side comparison of existing SOs and new CPRs](#)
- [Appendix 3 - New Articles 1-5 and 14 Final](#)
- [Appendix 4 - Articles - Comparison document Final](#)

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## **AUDIT AND GOVERNANCE COMMITTEE**

Thursday 24 July 2025

### **Present:-**

Councillor Wardle (Chair)

Councillors Moore, Atkinson, Banyard, Begley, Holland, Knott, Miller-Boam, Mitchell, M, Payne, Snow and Williams, M

### **Also Present**

Chief Executive, Strategic Director for Corporate Resources, Head of Legal and Democratic Services & Monitoring Officer, Service Lead – Commercial & Procurement, Head of Service - City Development, SWAP Internal Audit Services and Democratic Services Officer

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### **MINUTES**

The minutes of the meeting held 19 March 2025 were taken as read, approved and signed by the Chair as correct.

69

### **DECLARATION OF INTERESTS**

No declarations of disclosable pecuniary interests were made.

70

### **ANNUAL AUDIT PLAN**

The Manager, Grant Thornton, the Council's external auditor, introduced the new engagement lead/key audit who presented the report making the following points:

- the approach and timelines were similar to previous years;
- page 21 highlighted the impact of the backstop however, Exeter was not impacted and a clean audit opinion had been issued which was a good position;
- page 26-30 highlighted the key risks;
- other risks could be found on page 30;
- there were no group risks shown as this was no longer a requirement;
- Value for money(VFM) related to findings in the previous year; and
- Audit logistics showed the opinion prior to back stop date.

The Manager and Engagement Lead, Grant Thornton, responded to Members questions in the following terms:

- local government reorganisation would be factored into any comments made;
- the opinion was given in February which did not allow sufficient time for response to recommendations however this would hopefully be addressed in the Audit Findings report at the end of the year;
- pensions defined risk differently to the Council and was based on assumptions which meant that a small change would move the risk past materiality;
- VFM was not more than other public sector organisations but bears further scrutiny to ensure the finance team made appropriate assumptions;
- at present there was a risk of significant weakness rather than actual;
- there had been a change in accounting standards during the year;
- there was a risk that failure to identify all relevant leases and assets could lead to an issue of materiality;
- materiality had gone up as a result of regulator feedback which reflected the

- risk profile of the council;
- heritage assets would be taken into consideration but it would depend upon the value of those assets; and
- this year assurance would be sought as to those value of heritage assets and how those were disclosed.

The Audit and Governance committee noted the report following a unanimous vote.

71

### **ANNUAL GOVERNANCE STATEMENT**

The Strategic Director for Corporate Resources presented the report making the following points:

- this report related to 2024/25, was statutory, and accompanies the statement of accounts, based on the code of corporate governance;
- the difference was that it reflected significant weaknesses as identified by internal auditor; and
- one key issue was debt management after officers had requested an advisory review.

The Chief Executive and Strategic Director for Corporate Resources responded to Members questions in the following terms:

- the role of scrutiny would be updated in the report for the next year;
- Ombudsman complaints were reported to the Audit and Governance Committee;
- the corporate risk register was reviewed regularly by the Strategic Management Board(SMB) who discussed issues with Heads of Service;
- SMB held strategic responsibility for ensuring the correct resources were allocated to risks but Heads of Service held operational responsibility for addressing risks and feeding back to Directors;
- this was a summary not every item which SMB and OMB were responsible for; and
- OMB mitigated strategic and operational risks.

**RESOLVED** following a unanimous vote that the Audit and Governance Committee supports the Annual Governance Statement to be included within the Council's Annual Statement of Accounts for 2024/25; and

**RECOMMENDED** that Council notes and approves the Annual Governance Statement to be included within the Council's Annual Statement of Accounts for 2024/25.

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### **ANNUAL INTERNAL AUDIT REPORT**

The Assistant Director, SWAP presented the report making the following points:

- this was the opinion for 2024/25;
- the summary was contained on the first page of report with further detail on pages 45 and 46;
- the outcomes to support opinion showed actions almost fully delivered.
- assurance work underpinning the opinion could be found on page 42 with 14 assurance audits;
- there was a high organisational risk related to debt management;
- there were lots of positives which demonstrated that the council value the challenge of internal audit and senior management were open and directed

- audit to risk areas;
- there were 6 follow-up audits and all actions were adequately addressed with commitment to improvement shown;
- the limited assurance report being brought to the committee provided assurance;
- there was a breadth of coverage across key services and in relation to strategic risks which was summarised on page 89, with more info on debt management included and previously presented to this committee and this audit had been requested as an advisory by senior management;
- action plan monitoring, action plan work and follow up could be seen;
- SWAP were working with management to introduce a tracking system;
- there were 98 actions related to 2024/25;
- SWAP performance could be seen in the results of satisfaction surveys with all responses all showing that they met or exceeded expectations;
- the Standards shown were required and showed the latest published assessment from December 2024 and generally conformed which was the highest grade.

The Director, SWAP responded to Members questions in the following terms:

- there were many services which could potentially be audited;
- a risk-based approach was taken and those services with the highest risks were the focus;
- Section 106 and one CIL were audited as high risk;
- a planning audit was on this year's plan focussing on biodiversity net gain; and
- the list of areas to be audited was created by joint agreement with the Strategic Management Board following SWAP providing as a starting point for discussion.

Following a unanimous vote the Audit and Governance Committee noted the report.

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### **INTERNAL AUDIT PROGRESS REPORT**

The Assistant Director, SWAP presented the report making the following points:

- the purpose was to highlight significant outcomes from audit work and show work on the agreed plan or any changes made to the plan;
- the summary on the first page was in a standard format and similar to the previous item'
- 6 audits were finalised and 5 awarded limited assurance;
- Limited assurances could be found at appendix B and would be covered in the next agenda item;
- there was a follow up audit on taxi licensing and key improvements were summarised – a procedure manual had been created and training provided – evidence of what was needed for a taxi license application, including safeguarding, right to work and driving license evidence. This had been implemented in full;
- action plan monitoring showed 98 active actions with the majority not yet due;
- 18 actions had been assessed as being complete by the service and audit would gain evidence before closing; and
- 6 actions were overdue but it was acknowledged that some can take longer to implement than planned and sometimes timescales needed to be extended.

The Director, SWAP and Chief Executive responded to Members questions in the following terms:

- appendix 1 would be shared as this was missing from the report;
- the report had been agreed in full and behind it sat a detailed actions plan which had been agreed by management and would be seen in the next agenda item and would sit on SWAP monitoring system and be updated and reported back to this committee;
- there had not previously been a process for monitoring which had required to be strengthened;
- she would endeavour to provide detail of the 6 overdue actions and their reasons;
- there were 98 actions with only 6 overdue and SWAP would provide information and SMB would identify reasons for this; and
- 6 was a small proportion to be overdue.

Following a unanimous vote the Audit and Governance Committee noted the report.

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### **LIMITED ASSURANCE REPORT**

The Strategic Director for Corporate Resources presented the report making the following points:

- the report showed detail of the action plans behind the summary provided by SWAP;
- appendices held each action plan in respect of the 5 limited assurance audits with most of the audits having been requested by management;
- procurement was subject to annual audit; and
- SWAP intended to look at the Procurement Act 2023 and management had asked them to do a more in-depth audit of procurement practices to potentially identify any further breaches. Management had worked with SWAP to implement changes and this had been an important piece of work which did identify further work to be done. As a result, a significant training programme would be rolled out beginning with Heads of Service with many sessions already full in September.

The Chief Executive, Strategic Director for Corporate Resources, Head of Service – City Development and Procurement Lead responded to Members questions in the following terms:

- CIL was part of the City Development remit and was under review. It was hoped that proposals would be made to SMB in August to address the issue of governance and there was a willingness to involve stakeholders. A method of review would form part of the CIL terms of reference going forward;
- a number of schemes had been identified which were at risk of losing money and legal advice was being sought;
- a review panel would be proposed as part of the governance review;
- there was a complication around the length of the neighbourhood plan with regard to St James Trust and legal advice would be taken;
- there were no Member committees for other financial decisions which must be taken into account when looking at CIL and section 106 but this proposal had not yet been seen by SMB;
- a full answer would be sought with regard to whether the contractor would be provided with training regarding new procedures, whether there would be any impact on value for money and why the echelon report had not been implemented as yet;
- a progress report could be brought to committee on how the housing actions

- were being implemented;
- work was being done to replace the extralet properties which was intended to deliver benefits which would bring the budget back into balance;
- procurement was being linked to strategy;
- there was no direct link but contract and procedure rules had been adopted and updated in line with the Act; and
- waivers under £100,000 were not required to come to procurement rather they would be signed off by Heads of Service, however, this was under review and there may need to be corporate variations but this would remain under review until the training was complete.

Following a unanimous vote the Audit and Governance Committee note the report.

75

### **REVIEW OF CORPORATE GOVERNANCE RISK REGISTER**

The Strategic Director for Corporate Resources presented the report making the following points:

- this was a final review in the current guise as Council had adopted the new corporate plan two days ago;
- as this review was based on the previous plan SMB and the Executive would undertake a full review to align with the new corporate plan;
- implementation of the table showing where each of the risks lies now included the direction of travel for each risk as requested by Members; and
- following training with Zurich Municipal the finance risk increased as there was a significant reduction to find and this was the beginning of this process but the risk would be expected to move down throughout the year.

The Strategic Director for Corporate Resources responded to Members questions in the following terms:

- this was the latest assessment based on a full year Medium Term Financial Plan (MTFP) taking into account the business rate reset at the time of drafting the report;
- there were three categories of property being housing, commercial and operational and the council had a legal responsibility to have best consideration for assets therefore they were marketed and advertised and publicised that they were on the market and the council could work with any community group who came forward and put them in touch with the managing agent;
- he would work with the head of commercial assets on whether a sale could be delayed in the event of a community group requiring longer than a commercial operator;
- regarding an asset management plan and strategy, a piece of work had been commissioned and an initial draft was with officers which once finalised would be reviewed by SMB before Council; and
- the council remained committed to net zero 2030.

Following a vote the recommendations as set out in the report were CARRIED.

Resolved that the Audit and Governance Committee had considered the council's Corporate Risk Register (Appendix A) and recommended its approval to Executive.

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### **QUARTERLY WAIVERS REPORT**

The Service Lead – Commercial and Procurement presented the report making the following points:

- the external auditor had recommended that this report be brought to committee and this was the first;
- the report showed waivers and breaches which had previously been reported in the bulletin;
- a waiver request set out the rationale for a direct award to a supplier and why it may not be in the Council's best interests to run a competitive procurement process as required within the Council's Procurement and Contract Procedures;
- any waiver granted over the UK procurement threshold approves only the anticipated non-compliance with the Council's Procedures. It did not mitigate the risks associated with non-compliance with the UK Procurement Law and Regulation;
- a breach occurred where either the Council's Procurement and Contract Procedures or UK procurement legislation has not been adhered to; and
- the last two quarters were reported.

The Strategic Director for Corporate Resources and Service Lead – Commercial and Procurement responded to Members questions in the following terms:

- the report did not relate to people overspending but rather to procedures and rules and had been moved from the bulletin to committee;
- Breaches did not mean that there had been overspend but rather that rules or procedure had not been followed;
- there was no direct correlation between breaches and budgetary control or overspend;
- each accountant met regularly with Heads of Service and their Director at which time any issues would be highlighted;
- under or overspend of a budget could happen for a number of reasons, some of which were understandable and others not but SMB reviewed this before it was brought to Council and highlighted areas of more concern than others;
- it was important to highlight areas of concern as there would be variation throughout the year; and
- it was a fair assessment to say that some waivers existed to facilitate effective service provision and this was not a bad thing as there was a need for expediency which was normal for local authorities.

The Audit and Governance Committee noted the Quarterly Waivers Report.

(The meeting commenced at 5.30 pm and closed at 6.50 pm)

Chair

**Audit and Governance Committee – 24 July 2025**

**Recommendations to Council**

**Minute No. 71 – Annual Governance Statement**

- [Appendix - Annual Governance Statement 2024-25](#)

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## PLANNING COMMITTEE

Monday 4 August 2025

### Present:-

Councillor Knott (Chair)

Councillors Rolstone, Asvachin, Atkinson, Harding, Hughes, Hussain, Ketchin, Mitchell, M and Pole

### Apologies

Councillors Banyard, Bennett and Williams, M

### Also Present

Strategic Director for Place, Head of Legal and Democratic Services & Monitoring Officer, Democratic Services Officer, Democratic Services Officer and Principal Project Manager (Development) (HS)

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### MINUTES

The minutes of the meeting held on 28 April 2025 were taken as read, approved and signed by the Chair as correct.

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### DECLARATIONS OF INTEREST

No declarations of interest were made by Members.

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### PLANNING APPLICATION NO. 24/1536/OUT - LAND ADJACENT MARSH BARTON TRAIN STATION, CLAPPERBROOK LANE EAST, EXETER, EX2 8QE

The Chair invited Mr Keith Lewis, Exeter Civic Society, to speak for five minutes. Mr Lewis spoke against the application, making the following points:

- he was addressing the committee on behalf of Exeter Civic Society, and had worked together with Mr Chris Pope;
- he was opposed to the location, and that the site would occupy half of Grace Road Field;
- he highlighted the submission of Councillor Diana Moore, who was unable to attend the meeting;
- there were to be 1800 new homes built at Water lane, with an expected 20,000 more people living in Exeter by 2040;
- he believed that the electrical grid lacked capacity, and that 25% of the energy produced would be powered by gas;
- the applicant, 1Energy, had carried out sequential tests for water, but it was important for them to revisit this and carry out testing for air and gas;
- the site would be large, 118 meters long and 19 meters high;
- he asked if the benefit of this would truly outweigh the harm caused;
- an alternative site would be better, such as a traffic free area of the canal;
- would trees be planted to hide this from the Valley Park; and
- he encouraged Members of the Committee to refuse this application, and urged to defer the matter for a full disclosure of the Carbon Descent plan, mandatory reporting of carbon savings, flood mitigation measures, and missing views of the plant from Clapperbrook Lane.

Mr Lewis responded to questions from Members as follows:

- the 25% for gas was an average across the year and was due to lack of electrical supply;
- the Equality Impact Assessment (EQIA) suggested that the electrical grid was not sufficient;
- he had not been able to identify an alternative suitable plot of land available for sale and technically appropriate;
- this combined with the energy from waste plant (EFPW) was the first impression that people got when visiting the Valley Park; and
- there were no short-term issues and once built this would be around for 50 to 70 years which was a huge investment. The screen between the canal and the building would be lost and it would not be possible to hide it with a few trees.

The Chair invited Mr Paul Barker of 1Energy, to speak for five minutes. Mr Barker spoke for the application, making the following points:

- Mr Barker thanked the Chair and the Committee for allowing him to speak;
- this development was a response to the climate crisis, and Exeter's aim of being carbon neutral by 2030;
- this development was for both public sector and non-public sector buildings;
- it would reduce gas use, and improve air quality;
- this was future proofed to add further low carbon heat sources;
- 1Energy were contractually committed to provide low carbon heat for the Royal Devon and Exeter Hospital, the University of Exeter, and Exeter College;
- there were 15 potential sites across Exeter, but this site was the most appropriate due to its proximity to low carbon heat sources, such as the EFPW and the canal. It was also close to Water Lane and was ideally located to supply the houses with low carbon heat;
- this would provide a major boost for the economy, generating £150 million, and a number of apprenticeships at Exeter College;
- this was currently a low biodiversity value site, and this application would provide more than minimum requirements to move towards eco diversity;
- there was a £30 million grant which needed to be used;
- Exeter Energy Network could provide low and zero carbon heat, as well as a platform for meaningful climate action; and
- this was a project that Exeter could be proud of.

Mr Barker responded to questions from Members as follows:

- this was the only site that provided the opportunity for future proofed carbon heating;
- it was likely that there would be some congestion and this was being discussed with Devon Highways;
- the site needed to be future proofed and in the next few years they would be using energy from the waste plant and water from the canal;
- the 25% provided by gas would be an average over the whole year, and would likely be caused by huge spikes in the winter;
- the Environment Agency did not want the site too close to the railway line as it would provide a higher risk of flooding;
- there would be no need to shut down the heat pumps and a large thermal store could serve for weeks during the summer;
- landowners weren't approached but a land agent had looked at what was for sale; and
- Marsh Barton was on the wrong side of the railway and would have required large pipes underneath the canal.

The Principal Project Manager (Development) presented the application for the construction of Energy Centre for the Exeter Energy Network. He provided the following information:

- post construction access to the site would be via Clapperbrook Lane, and would not require large vehicles;
- there was a resolution to grant planning for housing to the north between the canal and the railway line;
- there was a substantial tree belt along the boundary with the canal;
- the entrance to the site would be adjacent to Marsh Barton railway station, and there would continue to be priority for cyclists and pedestrians across the entrance;
- the trees were 29 metres tall and would provide cover for the site;
- the Energy Centre would not be harmful to views from long distances;
- the site was close to the solar farm;
- uses and priorities for the site included enhancing nature and biodiversity, and improving recreational opportunities;
- one of the key issues for this application was flooding, and the site was a zone 3 flood zone which had been deemed acceptable given there was no sequentially preferable site;
- the building had been designed to be raised to allow water to pass through;
- a large thermal store (heat battery) would enable the storing of heat and allow for shutdown without disruption to output;
- a visitor centre and section for education and the community had been incorporated into the design;
- heat pumps would be on the roof due required air flow and to reduce the footprint;
- trees would be planted and could help to fill in the gap in the boundary;
- three trees would need to be removed to enable construction access, these trees had no protection order, and 30 trees would be planted to replace them;
- the remaining area of the site has been designed to improve biodiversity and recreation;
- regarding planning balance, there were more public benefits than identified harms; and
- the sequential and exception tests had been passed, and officers were satisfied that no better sites were available.

In response to questions from Members, the Strategic Director for Place and the Principal Project Manager (Development) clarified that:

- the trees needed to be removed due to the size of the equipment;
- officers had consulted Dorset CC ecologists and were happy that the bat and reptile surveys were adequate;
- the ponds were designed for public use, not fishing and the site didn't need to be floodlit so it would not cause issues for wildlife at night;
- the developer had designed the building not to cause a flood risk for other sites, as well as to be resilient to flooding. The Environment Agency (EA) were satisfied;
- there was potential for plumbing from heat pumps during cold weather, but as they were on roof, condensation would run off into drainage;
- landscaping detail was a reserved matter and was not for discussion at this meeting;
- there was no loss of sports pitches as the site had not been used for sport in over a decade, and therefore this didn't require consideration;
- the tree belt remained as a space for wildlife;
- it was common for applicants to consider land outside their redline and to

- show how other parts of the land could be used;
- it was difficult to say how long officers had spent on validating the sequential test, but a long time had been spent on the application;
- the building was roughly the equivalent of a four-storey building plus roof plant;
- the fire service had been consulted and would be involved at the building regulations stage;
- there would be 57% biodiversity net gain within the red line; and
- further landscaping could be secured with the s106 being voted on today.

During debate, Members expressed the following views:

Councillor Hughes –

- the loss of greenspace was not ideal but liaison with the EA suggested that there was no alternative;
- this was a gain for carbon reduction;
- it was not up to the planning committee to consider long term use; and
- they raised concerns about flooding but recognised that this issue had been mitigated by the developer.

Councillor Pole –

- there were lots of reports that ticked boxes, and lots of positives with the application.

Councillor Harding –

- 13 thousand tonnes of carbon could be saved a year and a 75% reduction in gas;
- the air quality across the city would improve;
- the biodiversity gains were significant; and
- there was a 95% chance that in three years the river and the incinerator would be used as a heat source.

Councillor Rolstone –

- believed condition 29 (restoration of site following cessation of use) of the report would be beneficial;
- this was a great opportunity; and
- the gains did outweigh the risks for this site.

Councillor Atkinson –

- this was a public and private sector partnership;
- even objectors agreed that this facility was a necessity for the city, the only objections were based on the site location;
- satisfied that other sites had been considered throughout this process;
- the site hadn't been used for 12 years as a public recreation facility, and there was still lots of open space around it; and
- she was satisfied that there was not going to be a loss of leisure and other facilities, and that the conditions included cycle parking on site.

Councillor Knott –

- was satisfied that the trees would screen the site appropriately;
- all planning matters caused harm, and as a committee it was necessary to create balance;
- this was a catalyst driving us towards net-zero; and
- he thought that this application should be supported.

Councillor Ketchin –

- a key balancing figure was the sequential test;
- no one was in disagreement that we needed this energy hub;
- it was unclear what depth ECC had been involved in to scrutinise this;
- he hadn't heard a compelling reason to choose this site;
- Marsh Barton could be amenable for harvesting waste stream;
- this was a great project but was in the wrong place;
- would like to see the sequential test scrutinised; and
- biodiversity was a material consideration for this site, it would easily be done but building an industrial site in the middle of the area would hinder this.

The Strategic Director for Place made the following concluding points:

- this was a strategic piece of infrastructure and would strengthen Exeter's role in climate action;
- no one was arguing against the public benefit of the scheme;
- the Energy Centre was a critical component, the heat network would supply heat to the hospital, and educational campuses, decarbonising their heat;
- 1Energy have chosen this site, not Exeter City Council;
- over 20 sites had been considered, and there were no sites more preferable than this one;
- it was clear that this site had passed the sequential test;
- the loss of open space was a major concern for Members, however, the site was last used as a compound for the construction of the railway station and had not been used as a playing field in over a decade;
- the proposed enhancements to quality and accessibility of the open space and biodiversity were significantly exceeding statutory requirements;
- the Energy Centre was only one third of the application site, with the majority being used for biodiversity net gain; and
- the officer assessment was that the proposal had been mitigated sufficiently and the benefits outweighed the harm. It met requirements for future proofing and was a unique opportunity to meet net zero.

The Chair moved, and Councillor Atkinson seconded the recommendation, which was voted upon and CARRIED.

**RESOLVED** to DELEGATE to officers to GRANT permission subject to completion of a S106 Agreement relating to the matters identified and subject to conditions as set out in report, but with secondary recommendation to REFUSE permission in the event the S106 Agreement is not completed within the requisite timeframe.

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### **LIST OF DECISIONS MADE AND WITHDRAWN APPLICATIONS**

The Strategic Director for Place responded to Member questions in the following terms:

- Article 4 set out that planning permission was needed for houses of multiple occupancy (HMO);
- there was a supplementary planning document (SPD) setting out detailed criteria for HMOs;
- tree protection orders (TPO) mean that any works required consent;
- Exmouth junction gateway was a major development therefore subject to conditions; and
- a split decision allows approval for certain parts of application but not all.

The report of the Strategic Director for Place was noted.

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### **APPEALS REPORT**

Councillor M Mitchell acknowledged that the 'Learning for Future Decisions' section of the report was helpful in showing what could be considered and asked whether this came from officers or inspectors.

The Strategic Director for Place responded to Councillor M Mitchell, clarifying that this provided a summary of what went into the decision the inspectorate made, and provided a summary of what learning was gained from this decision.

Councillor Knott noted how many appeals were dismissed and felt that officers and the Committee were moving in the right direction.

The report of the Strategic Director for Place was noted.

Councillor Ketchin felt that the meeting in this new format went well and commended the Chair on his use of discretionary powers.

(The meeting commenced at 5.35 pm and closed at 7.40 pm)

Chair

## EXECUTIVE

Tuesday 12 August 2025

Present:

Councillor Bialyk (Chair)

Councillors Wright, Asvachin, Foale, Patrick, Williams, R and Wood

Also present:

Councillor Hughes (as an opposition group Leader)

Councillor Moore (as an opposition group Leader)

Apologies:

Councillors Vizard and Councillor M. Mitchell (as an opposition group Leader)

Also present:

Chief Executive, Strategic Director for Place, Strategic Director for Corporate Resources and Democratic Services Manager.

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## MINUTES

The minutes of the special meetings held on 19 June 2025 and 24 June 2025, were taken as read, approved and signed by the Chair as a correct record.

The minutes of the meeting held on 8 July 2025, were taken as read, approved and signed by the Chair as correct, subject to the following amendment:-

- Minute No. 54 – “carbon neutral city” should be replaced with ‘**net neutral city**’ to read as: “carbon neutral city” should be replaced with ‘**net zero city**’.

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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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## MATTERS REFERRED BY SCRUTINY COMMITTEES

There were no matters referred from the Scrutiny Committees for this meeting.

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## REVIEW OF CORPORATE RISK REGISTER

The Executive received the quarterly corporate risk register report which advised on the management progress of the Council’s risk management and presented the revised corporate risk register, which was linked to the Council’s Strategic Priorities.

Members were advised that:-

- following the approval of the new corporate plan by Council in July 2025, a review of the corporate risk register would be undertaken before it was presented the Executive in December 2025; and

- risk 4, which related to financial sustainability had increased due to the early stage of budgeting at the start of the new financial year and work was being undertaken to ensure there was a balanced budget.

The Deputy Leader & Portfolio Holder for Corporate Services, Community Safety and City Centre advised that Executive Members were actively addressing items on the risk register through their portfolio work and regular meetings with directors. A lot of background work was already being undertaken outside of meetings.

An opposition group leader in speaking to the item made the following points:-

- there appeared to be a drafting error between the report and heat map and appendix 2 of the report, with differences in the scores and ratings;
- the Net Zero risk seemed disproportionately low in the risk register, especially given projects like car parks were intended to mitigate such issues; and
- expressed concern about the low score for culture and heritage risks, notably in regard to the city wall. The city wall had at vulnerabilities at 16 sites around the wall and was not convinced that it had been sufficiently looked into and sought a written response in relation to the matter.

The Leader noted that some of the issues raised were being dealt with.

The Strategic Director for Corporate Resources advised in regard to the risk scores that he would work with the team who produced the report to ensure that when a risk was amended, that it would be reflected in the report appendices.

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 that any necessary actions to help mitigate the risks for which it is responsible for be proposed to Council.

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#### **MEMBERS' ALLOWANCES AND EXPENSES PAID 2024/25**

The Executive received the report which presented the allowances paid to Elected Members in 2024/25, in which the Council had a statutory obligation to publish each financial year. Particular reference was made to the Member expenses had come in under budget for 2024/25

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

- Councillors did not receive a salary and the report showed the allowances and expenses received for Members in undertaking their role as a Councillor, which had come in under budget;
- There had been savings in recent years, following COVID, where Member training and development could be done online. In previous years, there had been higher costs due to travelling and in person sessions, though some specific events remained in person; and
- despite the reduced costs from travel and accommodation, Members continued to attend and engage in professional development training opportunities throughout the year, to support them in their role as a Councillor.

The Leader requested an extra column be added to future reports to separate the total allowances received from expenses incurred to prevent public misinterpretation of total amounts as personal income.

The Strategic Director for Corporate Resources confirmed that the current report was the same format as the officer note in the statement of accounts but agreed to check the legal basis for adding a total column for allowances.

An opposition group leader in speaking to report noted that despite being under budget, Councillors worked extended hours and had to cover costs for food ahead of late meetings. The Council no longer provided food and drinks at meetings and suggested using the under-budget funds to address this matter.

The Leader acknowledged the concerns raised and advised that he would discuss the matter with the Portfolio Holder and Chief Executive, noting the need to balance public perception with the practicalities of performing duties properly, especially for Councillors with medical conditions during long meetings.

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

**RESOLVED** that the allowances paid and expenses claimed by Members in 2024/25 be noted.

(The meeting commenced at 5.30 pm and closed at 5.49 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 2 September 2025.**

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## REPORT TO COUNCIL

Date of Meeting: 2 September 2025

Report of: Strategic Director of Corporate Resources & s151 Officer

Title: Overview of General Fund Revenue Budget 2025/26 – Quarter 1

### Is this a Key Decision?

No

### Is this an Executive or Council Function?

Council

### 1. What is the report about?

1.1 To advise Members of the overall financial position of the General Fund Revenue Budgets for the 2025/26 financial year after three months.

### 2. Recommendations:

2.1 It is recommended that Council approves :

- 1) The General Fund forecast financial position for the 2025 financial year;
- 2) The supplementary budgets and budget transfers as detailed in paragraph 8.10 and Appendix 3;

2.2 It is recommended that Council notes:

- 3) The outstanding Sundry Debt position as at June 2025;
- 4) The creditors payments performance.
- 5) The budget reduction monitoring update.

### 3. Reasons for the recommendation:

3.1 To formally note the Council's projected financial position and to approve additional expenditure required during the financial year.

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

4.1 The impact on the General Fund working balance is set out in section 8.9. The General Fund Working Balance is projected to stand at £4.138 million at year end.

### 5. Section 151 Officer comments:

5.1 There are no significant issues for Council to consider at this stage. Whilst there are some areas with challenging financial positions, overall, the impact of the General Fund Balance does not cause any issues for the medium-term financial plan.

### 6. What are the legal aspects?

6.1 Section 28 of the Local Government Act 2003 imposes a statutory duty on the Council to monitor during the financial year its expenditure and income against the

budget calculations. If the monitoring establishes that the budgetary situation has deteriorated, the Council must take such action as it considers necessary to deal with the situation. This might include, for example, action to reduce spending in the rest of the year, or to increase income, or to finance the shortfall from reserves.

- 6.2 The Local Government Finance Act 1992 places a legal requirement on Council to approve not only the budget but also any changes to the budget proposed during the year. Council has a legal duty to ensure that the budget is balanced and that any changes to the budget are fully funded.

## 7. Monitoring Officer's comments:

- 7.1 The purpose of this report is to advise Members of the overall financial position of the General Fund Revenue Budgets for the 2024/25 financial year after three months. Members will note the statutory duty imposed on the Council to monitor expenditure and income against the budget calculations as set out in the legal aspects above.

## 8. Report details:

### Overview of General Fund Revenue Budget 2025/26 – Quarter 1

#### 8.1 Financial Summary

<b>FUND</b>	<b>Planned Transfer To / (From) Working Balance £</b>	<b>Budget Variance (More) / Less £</b>	<b>Outturn Transfer 2025/26 £</b>
General Fund	(823,670)	(343,290)	(1,166,960)

#### 8.2 General Fund (Appendix 1 & Appendix 2)

For the 2025/26 financial year, the current forecasts show an overall projected positive variance of £295,550 against a revised budget of £20,670,760. This includes supplementary budgets of £4,500,520 already agreed by Council. Variances of more than +/- £30,000 are detailed below:

#### 8.3 Chief Executive

<b>Head of Service Area</b>	<b>Budget £</b>	<b>Forecast Outturn £</b>	<b>Variance Over/(Under) £</b>
Executive Office	1,609,880	1,609,880	0

- There are no significant variances to report for **Active & Healthy People** and **Strategic Management**.

## 8.4 Operations

Head of Service Area	Budget £	Forecast Outturn £	Variance £
Environment & Waste	5,755,960	5,086,840	(669,120)

- **Environmental Health & Licensing** is showing a forecast positive variance of £189k predominantly due to savings within the service establishment and the difficulties with recruiting into vacant posts. These savings have been reduced by increased costs in agency staff and this will continue to be monitored throughout the year.
- **Domestic Refuse Collection** is forecast to have a positive variance of £310k due to vacancies within the service establishment. Agency spend is also showing a material saving due to the difficulties in recruiting. Both these savings have been offset by increases in non-contractual overtime to cover Saturday shifts. These savings are expected to decrease as staff are brought in to cover new kerbside collection rounds.
- Income is expected to be lower than budget for **Waste Chargeable Services** – based on previous years – resulting in an adverse variance of £63k. However, it is too early to be certain this will continue so will be monitored throughout the year.
- There is no significant variance to report in respect of **Waste Strategy & Facilities**.
- An overall positive variance of £257k is anticipated for the **Materials Reclamation Facility** as recycling credit income is forecast to exceed budget although this will be monitored throughout the year to ensure forecast is met. However, the surplus income has been offset by having to transport materials to secondary MRF's. This cost should disappear as the MRF capital project is completed as the facility will be able to handle larger volumes and a more varied range of material.

Head of Service Area	Budget £	Forecast Outturn £	Variance £
Operations	5,696,000	5,470,380	(225,620)

- This positive variance of £122k for **Parks & Green Spaces** is predominantly due to vacancies within the staffing establishment. Recruitment has been difficult, and the use of agency has increased, reducing the overall saving.
- There is no significant variance to report in respect of **Bereavement Services**.

- A positive variance of £104k is forecast for **Street Cleaning**, as with the Parks service, difficulties in recruitment have led to material forecast savings against permanent staffing being offset by increases in casual staff spend.
- There are no significant variances to report for **Public Conveniences**, **Engineering Services** or **Waterways**.

Head of Service Area	Budget £	Forecast Outturn £	Variance £
General Fund Asset Maintenance	1,954,600	2,286,600	332,000

- **Corporate Support** is forecast to have an adverse variance of £332,000 due to the vacancy rate in the Civic Centre and therefore lower rental income from tenants.
- There are no significant variances to report for **Affordable Housing Development**, **Sundry Lands Maintenance** or **Corporate Property – Assets**

#### 8.5 Corporate Resources

Head of Service Area	Budget £	Forecast Outturn £	Variance £
Commercial Assets	(12,557,700)	(12,370,437)	187,250

- **Corporate Property – Estates** is showing a net forecast favourable variance of £12k:  
The Guildhall Shopping Centre continues to perform well with strong occupier demand with additional net income of £330k compared with budget. This will be transferred to the earmarked reserve as it cannot be used for general expenditure.

Favourable performance by the Guildhall Shopping centre is offset by the following:

- Lower rental income than Budget due to empty properties
- Business rates due to empty properties higher than Budget
- Property maintenance costs higher than Budget
- 

As the Guildhall Shopping Centre surplus cannot be used for General Fund expenditure the true impact on the General Fund is an adverse variance of £289k.

- A net forecast adverse variance of £133k is anticipated for **Parking Services**.  
The net income generated by Car Parks is lower than anticipated for the following reasons:
  - The increase in debit and credit cards and use of the Ringgo App has increased the costs to the Council for using these methods of payment;

- Re-zoning some of the Car Parks from Zone 1 to Central has increased their Business Rates bills;
- Rental income from Devon County Council renting offices at John Lewis car park has been lost after their Parking team moved out;
- Seasonal parking permit income is lower than expected.

Additionally, a cost of £105k for the cash collection team is forecast however there is no budget for this cost as it was envisaged the Council's parking operations would be cashless in 2025/26. Much of this cost is being offset by staff vacancies elsewhere in the Parking Services team. The adverse position is partially offset by:

- lower electricity costs, projected to be £181,000 lower than the budget;
  - lower staff costs than Budget due to understaffing;
  - 7% increase in car parking charges, estimated implementation November 2025, contributing c£400k additional income.
- There is no significant variance to report for **Major Projects**
  - An adverse variance of £60k is expected for **Markets**; income from commercial contracts at the Matford Centre continue to outperform the budget. The excess income has been offset by:
    - income from the solar array being lower than budget as a result of lower prices for selling the electricity generated and maintenance being required for some of the panels.
    - An estimated £85k of costs are to be recharged to the Council by the Auctioneer related to a drainage issue at the Matford Centre for which there is no budget. A claim against Stagecoach is to be pursued to recover these losses.

Head of Service Area	Budget £	Forecast Outturn £	Variance £
Finance	4,465,920	4,465,920	0

- There are no significant variances to report in respect of **Revenues & Benefits, Corporate, Unapportionable Overheads, Financial Services, or Internal Audit** at Quarter 1.

Head of Service Area	Budget £	Forecast Outturn £	Variance £
Legal & Democratic Services	1,771,250	1,643,080	(128,170)

- A positive variance of £133k is forecast for **Elections & Electoral Registration** due to the 2025/26 district elections being funded by Devon County Council. Any actual variance will be transferred to reserves at year-end.

- There are no significant variances to report for **Democratic Representation, Legal Services** or **Procurement**.

## 8.6 People & Communities

Head of Service Area	Budget £	Forecast Outturn £	Variance £
Customer & Communities	1,878,880	1,878,880	0

- There are no significant variances to report for **Exeter Community Grants Programme** and the **Customer Service Centre**.

Head of Service Area	Budget £	Forecast Outturn £	Variance £
Digital & Data	2,920,050	2,920,050	0

- There are no significant variances to report for **Central Support** or **IT Services**.

Head of Service Area	Budget £	Forecast Outturn £	Variance £
General Fund Housing	2,389,640	2,389,640	0

- There are no significant variances to report for **Housing Needs & Homelessness, GF Housing – Property** or **Private Housing**.

Head of Service Area	Budget £	Forecast Outturn £	Variance £
HR Workforce Planning & OD	945,020	895,020	(50,000)

- The forecast £50k surplus for **Transportation** will be transferred to reserves at year-end to be used for future Green Travel initiatives.
- There are no significant variances to report for **Human Resources** or the **Organisational Change Programme**.

## 8.7 Place

Head of Service Area	Budget £	Forecast Outturn £	Variance £
City Centre & Net Zero	1,487,040	1,487,040	0

- There are no significant variances to report for **Net Zero & Business, CCTV & Homecall** and **Community Safety**

Head of Service Area	Budget £	Forecast Outturn £	Variance £
City Development	1,726,690	1,726,690	-

- There are no significant variances to report in respect of **Building Control & Land Charges, Planning** and **Liveable Exeter Garden City**.

Head of Service Area	Budget £	Forecast Outturn £	Variance £
Culture & Leisure	6,028,790	6,286,900	258,110

- A net positive variance of £161k is forecast for the **Museum Service**:
  - There will be a £31.7k overspend in Museum Projects. However, this will be covered by reserves, taking the actual underspend to £193k
  - The majority of the variance is due to savings in utilities. A good proportion of this is due to RAMMs Dynamic Energy Management and System Maintenance Improvement Project, which continues to generate significant savings
- A forecast adverse variance of £444k is anticipated for **Leisure & Sport**, this is due to the removal of budgets for Northbrook Pool and Exeter Arena as part of 2025/26 budget savings. Northbrook is due to cease operating by the end of October so seven months of saving may be achieved. There are opportunities to increase revenue at Arena; these are currently being developed and will be included in quarter two monitoring, if material.
- There are no significant variances to report for **Culture, Visitor Facilities, Civic Ceremonials and Communications**.

## 8.8 Other Financial Variations

### Net Interest

Interest payable remains on target at Quarter 1; however, interest receivable is expected to be £157k lower than budgeted as interest rates are reducing.

## 8.9 General Fund Balance

In 2025/26 it is projected that there will be an overall net contribution from the General Fund Balance of £1,166,960. The minimum requirement for the General Fund working balance which was approved by Council in February 2025 at £3.100 million.

<b>Movement</b>	<b>2025/26</b>
Opening Balance, as at 01/04/25	<b>£5,305,182</b>
Net	(£1,166,960)
<b>Projected Balance at Year End</b>	<b>£4,138,222</b>

### 8.10 Supplementary Budgets

It is proposed that the supplementary budgets and budget transfers identified in Appendix 3 are approved and added to the 2025/26 budget. A total of £85,000 will need to be funded from General Fund balances, the remaining budgets are either self- financing or utilise earmarked reserves.

### 8.11 Outstanding Sundry Debt

An aged debt analysis of the Council's sundry debts is shown in the table below:

<b>Age of Debt</b>	<b>March 2024</b>	<b>March 2025</b>	<b>July 2025</b>
Up to 29 days (current)	£1,411,457	£1,264,074	£1,497,762
30 days – 1 Year	£2,738,947	£1,689,790	£1,829,508
1 – 2 years	£299,265	£1,005,233	£935,904
2 – 3 years	£273,541	£224,732	£375,419
3 – 4 years	£78,227	£202,422	£218,751
4 – 5 years	£290,834	£58,784	£75,792
5 + years	£340,009	£580,916	£587,133
<b>Total</b>	<b>£5,432,280</b>	<b>£5,025,951</b>	<b>£5,520,269</b>

In April 2025 a new Income Collection Team was formed with responsibility for sundry debtor income collection and the recovery of overpaid housing benefits. Resources have been dedicated to investigating older debts and establish what debts are realistically recoverable, so that decisions can be made and write-offs approved in line with the Council's financial regulations.

Monthly sundry debt reports are being issued to Directors and Heads of Service so they can monitor and challenge collection rates.

At the beginning of July, sundry debt levels for each directorate and service area, were as follows:

Head of Service	Description	£
Commercials Assets	Predominantly commercial property rents	3,736,298
Finance	Recovery of HB overpayments	7,444
Legal & Democratic	Election and electoral registration related	6,931
<b>Corporate Resources Total</b>		<b>3,750,674</b>
Environment & Waste	Predominantly trade refuse, recycling and licensing	422,745
GF Asset Maintenance	Civic centre recharges	17,041
HRA Asset Maintenance	HRA rechargeable repairs	31,235
Operations	Predominantly canal, waterway and allotment fees	355,675
<b>Operations Total</b>		<b>826,695</b>
Customer & Communities	Wellbeing Exeter related	45,000
GF Housing	Predominantly leasehold flat insurance and service charges	441,075
HR Workforce Planning & OD	Green travel recharges	1,454
HRA Housing	Predominantly leasehold flat ground rents	19,044
<b>People &amp; Communities Total</b>		<b>506,573</b>
City Centre & Net Zero	Predominantly Home Call alarm service	92,193
City Development	Planning related	73,251
Culture & Leisure	Predominantly group bookings for leisure services & marketing	270,884
<b>Place Total</b>		<b>436,328</b>
<b>Total</b>		<b>5,520,269</b>

## 8.12 Debt Write-Offs

The following amounts have been written off during 2025/26:

	2024/25 Total	2025/26 (Qtr 1)
• Council Tax	£280,588	£59,727
• Business Rates *	£5,829	£0
• Sundry Debt	£0	£5,893
• Housing Rents	£51,381	£1,311
• Non-HRA Rents	£33,087	£17
• HB Overpayments	£76,146	£40,039

\* Business Rate write offs dealt with annually

## 8.13 Creditor Payments Performance

Creditors' payments continue to be monitored in spite of the withdrawal of statutory performance indicator BVPI8. The percentage paid within 30 days was 95.6% for the first three months of 2025/26 compared with 96.21% after the first three months of 2024/25.

## 9. Budget Reduction Monitoring (Appendix 4)

Budget savings of £2.143m were incorporated into the 2025/26 budgets, as at

Quarter 1 it is forecast that £696k of these savings will not be made in year, mainly due to proposals in the Leisure service taking longer to implement.

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

10.1 This is a statement of the projected financial position to the end of 2025/26.

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

11.1 The risks relate to overspending the Council budget and are mitigated by regular reporting to the Strategic Management Board and Members. Members have a legal responsibility to take action where balances are projected to reach an unsustainable level and the Strategic Management Board are working to address the current projected shortfall in reserves.

Areas of budgetary risk are highlighted in this report. The key areas of budgetary risks are attached as Appendix 5, for reference.

## **12. Equality Act 2010 (The Act)**

12.1 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.

12.2 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 impact on all members of the community.

12.3 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.

12.4 In recommending this proposal no potential impact has been identified on people with protected characteristics as determined by the Act because there are no significant equality and diversity impacts associated with this decision.

## **13. Carbon Footprint (Environmental) Implications:**

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

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

Not applicable.

**Strategic Director of Corporate Resources & s151 Officer, Dave Hodgson**

Authors: Nicola Morley, Bridget Kendrick, Claire Hodgson and Suzanne Edwards

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

Background papers used in compiling this report:

None

Contact for enquires:

Democratic Services (Committees)

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## 2025/26 GENERAL FUND BUDGET MONITORING - SUMMARY

## QUARTER 1

	Original Budget £	Budgets & Transfers £	Revised Budget £	Year End Forecast £	Variance to Budget £
Chief Executive	1,139,480	470,400	1,609,880	1,609,880	0
Operations	12,591,810	814,750	13,406,560	12,843,820	(562,740)
Corporate Resources	(6,753,370)	432,840	(6,320,530)	(6,261,450)	59,080
People and Communities	6,401,250	1,707,800	8,109,050	8,059,050	(50,000)
Place	8,167,790	1,074,730	9,242,520	9,500,630	258,110
less Notional capital charges	(5,376,720)	0	(5,376,720)	(5,376,720)	0
<b>Service Committee Net Expenditure</b>	<b>16,170,240</b>	<b>4,500,520</b>	<b>20,670,760</b>	<b>20,375,210</b>	<b>(295,550)</b>
Net Interest	1,475,000		1,475,000	1,631,900	156,900
Revenue Contribution to Capital	88,760		88,760	120,630	31,870
Minimum Revenue Provision	2,702,000		2,702,000	2,702,000	0
<b>General Fund Expenditure</b>	<b>20,436,000</b>	<b>4,500,520</b>	<b>24,936,520</b>	<b>24,829,740</b>	<b>(106,780)</b>
Transfer To/(From) Working Balance	16,370	(840,040)	(823,670)	(1,166,960)	(343,290)
Transfer To/(From) Earmarked Reserves	1,447,780	(3,660,480)	(2,212,700)	(1,762,630)	450,070
<b>General Fund Net Expenditure</b>	<b>21,900,150</b>	<b>0</b>	<b>21,900,150</b>	<b>21,900,150</b>	<b>0</b>
Formula Grant	(5,931,000)		(5,931,000)	(5,931,000)	0
CIL Income	(798,360)		(798,360)	(798,360)	0
Business Rates Growth / Pooling Gain	(5,382,000)		(5,382,000)	(5,382,000)	0
Extended Producer Responsibility	(1,410,000)		(1,410,000)	(1,410,000)	0
New Homes Bonus	(872,000)		(872,000)	(872,000)	0
Council Tax	(7,506,790)		(7,506,790)	(7,506,790)	0
	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

Working Balance March 2025

£ 5,305,182

£ 4,138,222

March 2026

**2025/26 GENERAL FUND BUDGET MONITORING - DETAIL**  
**QUARTER 1**

YEAR END FORECAST			
	APPROVED BUDGET £	CURRENT OUTTURN FORECAST £	FORECAST VARIANCE £
<b>Chief Executive</b>			
<b>Executive Office</b>			
Active & Healthy People	351,800	351,800	0
Strategic Management	1,258,080	1,258,080	0
<b>Executive Office Total</b>	<b>1,609,880</b>	<b>1,609,880</b>	<b>0</b>
<b>Chief Executive Total</b>	<b>1,609,880</b>	<b>1,609,880</b>	<b>0</b>
<b>Operations</b>			
<b>Environment &amp; Waste</b>			
Environmental Health & Licensing	1,031,430	842,880	(188,550)
Domestic Refuse Collection	3,580,250	3,269,860	(310,390)
Waste Chargeable Services	(412,460)	(349,520)	62,940
Waste Strategy & Facilities	569,270	593,210	23,940
Materials Reclamation Facility	987,470	730,410	(257,060)
<b>Environment &amp; Waste Total</b>	<b>5,755,960</b>	<b>5,086,840</b>	<b>(669,120)</b>
<b>Operations</b>			
Parks & Green Spaces	2,032,030	1,909,860	(122,170)
Bereavement Services	120,120	109,990	(10,130)
Street Cleaning	1,872,490	1,768,510	(103,980)
Public Conveniences	234,710	246,420	11,710
Engineering Services	752,960	751,910	(1,050)
Waterways	683,690	683,690	0
<b>Operations Total</b>	<b>5,696,000</b>	<b>5,470,380</b>	<b>(225,620)</b>
<b>General Fund Asset Maintenance</b>			
Affordable Housing Development	410	410	0
Sundry Lands Maintenance	115,670	115,670	0
Corporate Property - Assets	1,137,820	1,137,820	0
Corporate Support	700,700	1,032,700	332,000
<b>General Fund Asset Maintenance Total</b>	<b>1,954,600</b>	<b>2,286,600</b>	<b>332,000</b>
<b>Operations Total</b>	<b>13,406,560</b>	<b>12,843,820</b>	<b>(562,740)</b>
<b>Corporate Resources</b>			
<b>Commercial Assets</b>			
Corporate Property - Estates	(4,815,730)	(4,827,470)	(11,740)
Parking Services	(7,158,280)	(7,025,610)	132,670
Major Projects	23,250	29,620	6,370
Markets	(606,940)	(546,990)	59,950
<b>Commercial Assets Total</b>	<b>(12,557,700)</b>	<b>(12,370,450)</b>	<b>187,250</b>
<b>Finance</b>			
Revenues & Benefits	2,138,240	2,138,240	0
Corporate	(55,160)	(55,160)	0
Unapportionable Overheads	1,323,690	1,323,690	0
Financial Services	937,860	937,860	0
Internal Audit	121,290	121,290	0
<b>Finance Total</b>	<b>4,465,920</b>	<b>4,465,920</b>	<b>0</b>
<b>Legal &amp; Democratic Services</b>			
Elections & Electoral Registration	664,870	531,580	(133,290)
Democratic Representation	713,540	685,310	(28,230)
Legal Services	257,620	278,920	21,300
Procurement	135,220	147,270	12,050
<b>Legal &amp; Democratic Services Total</b>	<b>1,771,250</b>	<b>1,643,080</b>	<b>(128,170)</b>
<b>Corporate Resources Total</b>	<b>(6,320,530)</b>	<b>(6,261,450)</b>	<b>59,080</b>

YEAR END FORECAST			
	APPROVED BUDGET £	CURRENT OUTTURN FORECAST £	FORECAST VARIANCE £
<b>People and Communities</b>			
<b>Customer &amp; Communities</b>			
Exeter Community Grants Programme	1,587,230	1,587,230	0
Customer Service Centre	1,026,460	1,026,460	0
<b>Customer &amp; Communities Total</b>	<b>2,613,690</b>	<b>2,613,690</b>	<b>0</b>
<b>Digital &amp; Data</b>			
Central Support	285,650	285,650	0
IT Services	2,635,790	2,635,790	0
<b>Digital &amp; Data Total</b>	<b>2,921,440</b>	<b>2,921,440</b>	<b>0</b>
<b>General Fund Housing</b>			
Housing Needs & Homelessness	1,444,620	1,444,620	0
GF Housing - Property	121,640	121,640	0
Private Housing	62,640	62,640	0
<b>General Fund Housing Total</b>	<b>1,628,900</b>	<b>1,628,900</b>	<b>0</b>
<b>HR Workforce Planning &amp; Organisational Development</b>			
Transportation	0	(50,000)	(50,000)
Human Resources	870,650	870,650	0
Organisational Change Programme	74,370	74,370	0
<b>HR Workforce Planning &amp; OD Total</b>	<b>945,020</b>	<b>895,020</b>	<b>(50,000)</b>
<b>People &amp; Communities Total</b>	<b>8,109,050</b>	<b>8,059,050</b>	<b>(50,000)</b>
<b>Place</b>			
<b>City Centre &amp; Net Zero</b>			
Net Zero & Business	860,540	860,540	0
CCTV & Homecall	572,760	572,760	0
Community Safety	53,740	53,740	0
<b>City Centre &amp; Net Zero Total</b>	<b>1,487,040</b>	<b>1,487,040</b>	<b>0</b>
<b>City Development</b>			
Building Control & Land Charges	72,530	72,530	0
Planning	1,302,760	1,302,760	0
Liveable Exeter Garden City	351,400	351,400	0
<b>City Development Total</b>	<b>1,726,690</b>	<b>1,726,690</b>	<b>0</b>
<b>Culture &amp; Leisure</b>			
Culture	471,450	461,080	(10,370)
Museum Service	2,670,550	2,509,200	(161,350)
Leisure & Sport	2,375,160	2,818,830	443,670
Visitor Facilities	91,830	82,640	(9,190)
Civic Ceremonials	260,020	284,810	24,790
Communications	159,780	130,340	(29,440)
<b>Culture &amp; Leisure Total</b>	<b>6,028,790</b>	<b>6,286,900</b>	<b>258,110</b>
<b>Place Total</b>	<b>9,242,520</b>	<b>9,500,630</b>	<b>258,110</b>
<b>TOTAL GENERAL FUND NET EXPENDITURE</b>	<b>26,047,480</b>	<b>25,751,930</b>	<b>(295,550)</b>

## PROPOSED SUPPLEMENTARY BUDGETS &amp; BUDGET TRANSFERS - QUARTER 1

Supplementary Budgets

Description	£	Funded by:
<b>Corporate Resources</b>		
Matford Centre drainage costs reclaimed by Kivells auctioneers	85,000	GF balances
<b>People &amp; Communities</b>		
Historic Burdens Grant - Expenditure	8,100	Grant-funded
Historic Burdens Grant - Income	(8,100)	Grant-funded
Homes for Ukraine - correction	(184,450)	Earmarked Reserve
Afghan Household Fund - correction	(740)	Earmarked Reserve
Homelessness Prevention Grant	577,000	Grant-funded (was planned to go to earmarked reserve)
Homelessness Prevention Grant	(577,000)	Grant-funded (was planned to go to earmarked reserve)
RSAP grant	119,590	Grant-funded
RSAP grant	(119,590)	Grant-funded
<b>Place</b>		
Jazz on The Quay - Expenditure	4,500	Grant-funded
Jazz on The Quay - Income	(4,500)	Grant-funded
<b>Total</b>	<b>(100,190)</b>	

Budget Transfers

£100k budget for Civic Centre re-location to be moved from Asset Maintenance to Commercial Assets

## Monitoring Budget Reductions - 2025/26 Quarter 1 Update

Service	Description/Proposal	2025/26 Budget Reduction/ (increase)	Quarter 1 Forecast	Variance (shortfall)	Comment
<b>Leisure</b>					
Culture & Leisure	Close Northbrook Pool	286,000	86,000	(200,000)	Now closing by end of October; estimates for additional close-down costs included in forecast.
Culture & Leisure	Exeter Arena - seek an asset transfer opportunity	300,000	0	(300,000)	Asset transfer is not likley to take place this year and continues to operate as normal. Plans to increase block booking income to be confirmed by quarter two.
Culture & Leisure	Increase Marketing income	20,000	20,000	0	Income target forecast to be achieved
Culture & Leisure	Decrease Tourism costs	29,000	29,000	0	Service redesign expected to be completed by March 2026
<b>Car Parks</b>					
Commercial Assets	Ringo transaction charge passed to customer	80,000	40,000	(40,000)	Estimated saving calculated for latter part of the year, currently out to consultation as at Q1 reporting
Commercial Assets	Explore commercial activity in car parks using managing agents	50,000	0	(50,000)	Saving not being achieved however development of the initiative is well under way.
Commercial Assets	Above inflation increase - 3% built in - extra 4% (so 7%) - takes into account no increase in 2024/25	88,000	77,000	(11,000)	Estimated savings calculated based on changes being implemented in November 2025
Commercial Assets	Howell Road & Triangle car parks - move to central zone	370,000	323,000	(47,000)	Estimated savings calculated based on changes being implemented in November 2025
Commercial Assets	Cashless (Service Review Option)	40,000	40,000	0	Saving not being achieved however cost offset by underspend on staffing in other Car Parks areas.
Commercial Assets	Increase income budget - Matford Centre	28,000	28,000	0	Expected to meet reduction due to continued overperformance of auctioneer income against budget
<b>Operations</b>					
Operations	No longer clean private landowner areas without contribution	33,080	33,080	0	No overspend forecast so savings achieved
Operations	Dedicate some Engineers to capital projects only	70,700	70,700	0	No overspend forecast against budget lines so savings achieved
<b>General Fund Housing</b>					
General Fund Housing	Additional HMO income	20,000	20,000	0	At quarter 1 the additional licence income for HMOs is on track to be achieved
General Fund Housing	Reduce the number of Extralet properties and replace with more cost effective properties	21,500	21,500	0	Savings on Extralet costs are on track to be delivered as at quarter 1
<b>Other</b>					
City Centre & Net Zero	Carbon Literacy Training - sell training sessions to local organisations	20,000	20,000	0	Forecast to achieve income
Commercial Assets	Cease accepting cash and cheques at ECC sites	88,070	48,070	(40,000)	Saving not being achieved due to delay in delivery however partially offset by underspend on staffing in other Car Parks areas.
<b>SUBTOTAL SERVICE REVIEW REDUCTIONS</b>		<b>1,544,350</b>	<b>856,350</b>	<b>(688,000)</b>	
Culture & Leisure	Remove duplication in Culture Service	200,000	200,000	0	Service redesign expected to be completed by March 2026
Miscellaneous	Stop budgeting for Pension Contributions where individual is not in Pension Scheme	98,310	89,870	(8,440)	Small variance expected at quarter 1
Miscellaneous	Implement digitalisation to improve efficiency - up to £1.2m over 3 years (£0.3m in year 1)	300,000	300,000	0	Implementation plan submitted to SMB in July 2025
<b>SUBTOTAL OTHER PROPOSALS</b>		<b>598,310</b>	<b>589,870</b>	<b>(8,440)</b>	
<b>TOTAL</b>		<b>2,142,660</b>	<b>1,446,220</b>	<b>(696,440)</b>	



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## 2025/26 BUDGET MONITORING


### AREAS OF BUDGETARY RISK

The table below notes service-areas that, based on either experience last year or market factors this year, have been identified as having significant budgetary risk within the 2025/26 revenue budgets.




The revenue budget areas of risk are:

Service	2025/26 Approved Budget	Risk Rating	Risk and mitigation
<b>Operations</b>			
<b>Environment &amp; Waste</b> (Revenue)	£5,755,960		<p>There have been significant challenges in recruiting permanent members of staff, resulting in large underspends across both Environmental Health &amp; Licensing and the Waste services. Agency staff are being employed to fill these gaps and more overtime is being approved to cover weekend shifts but there is no indication at this time that these costs will exceed staff savings. Once the new kerbside collection rounds are introduced to meet the deadline of 31<sup>st</sup> March 2026, additional recruitment may result in vacancies being filled.</p> <p>Income generated at the MRF is forecast to remain strong, although the sale of materials is market dependant and the materials are often held until prices are more favourable. This means there is a risk that income forecasts may fluctuate throughout the year so this will be monitored as the financial year progresses.</p>
<b>General Fund Asset Maintenance</b>	£1,954,600		<p>This budget includes rental income and service charges from tenants at the Civic Centre. However as there continue to be a number of vacancies there is likely to be significantly less income received than budgeted, and current projections are in line with the actual rents received in 2024/25.</p>

Service	2025/26 Approved Budget	Risk Rating	Risk and mitigation
<b>Corporate Resources</b>			
<b>Corporate Property – Estates</b>	(£4,815,730)		There are a number of vacant properties within the Corporate Property - Estates commercial portfolio, leading to a forecast deficit of rental income against budget. However, new tenants may be found, so this situation will continue to be monitored throughout the year. The Guildhall Shopping Centre continues to perform well and a favourable net income is expected compared with the Budget however this surplus cannot be used for General Fund expenditure.
<b>Parking Services</b>	(£7,158,280)		Achieving the Budgeted income is at risk due to higher Business Rates from rezoning, lower season ticket income and higher payment charges from increased use of debit and credit cards and Ringgo. Initiatives are being undertaken to reduce payment charges. An increase in car parking charges is to be implemented later in the year ahead of the busy Christmas period which could contribute to a more favourable uplift than currently factored into the forecast.
<b>Revenues and Benefits</b> Housing Benefit Subsidy	£28,654,800		The Council currently administers over £29 million of Housing Benefit payments for rent allowances and rent rebates. Not all expenditure can be claimed back as subsidy. Certain supported and temporary accommodation costs are not eligible for full subsidy; these claim types will remain in Housing Benefit and not move to Universal Credit. As more Housing Benefit claims move onto Universal Credit the amount of unsubsidised expenditure will be an increased proportion of total expenditure. Errors made by ECC officers are not subsidised in full if they go over a set percentage of total expenditure. As total expenditure reduces due to Universal Credit rollout, the margins within which error payments are subsidised will reduce, increasing the risk of a subsidy loss in this area.

Service	2025/26 Approved Budget	Risk Rating	Risk and mitigation
<b>Place</b>			
<b>Leisure &amp; Sport (Revenue)</b>	£2,375,160		<p>At this early stage of the year, Leisure is forecast to have an overspend of £443,670. This is entirely due to two centres (Northbrook Swimming Pool and Exeter Arena) having their annual budgets removed as part of the 25/26 budget setting process.</p> <p>Northbrook is due to close by the end of September so six months of savings may be achieved. However, it is hard to predict closedown costs or any on-going costs associated with a vacant building (increased on-site security, for instance). The risk is that year-end position may therefore change materially as these costs become apparent.</p> <p>As Arena remains within ECC's estate, it has been forecast to achieve the same out-turn as last year, meaning that budgeted savings won't be achieved. Plans to increase income through facilities hire are currently being worked on and will be included in future forecasts if they are material. However, these may not be significant enough to improve the year-end position by the time they are implemented.</p>

**Risk Rating Key:**

	Current forecasts indicate either a favourable variance compared to the budget or no variance at all
	Current forecasts indicate an adverse budgetary variance of between 0% and 5% that will be kept under review
	Current forecasts indicate an adverse budgetary variance of more than 5% and will be monitored closely

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## **REPORT TO COUNCIL**

Date of Meeting: 2 September 2025

Report of: Strategic Director of Corporate Resources & s151 Officer

Title: 2025/26 General Fund Capital Monitoring Statement – Quarter 1

### **Is this a Key Decision?**

No

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

Council

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

1.1 To report the current position in respect of the Council's revised annual capital programme and to advise Members of the anticipated level of deferred expenditure into future years.

The report seeks Member approval to amend the annual capital programme in order to reflect the reported variations.

### **2. Recommendations:**

2.1 It is recommended that Council approve:

- (1) The overall financial position for the 2025/26 annual capital programme.
- (2) The further funding requests to the Council's annual capital programme for 2025/26.

### **3. Reasons for the recommendation:**

3.1. Local authorities are required to estimate the total of capital expenditure that it plans to incur during the financial year when it sets the prudential indicators for capital expenditure. This shows that its asset management and capital investment strategies are affordable, prudent and sustainable.

Capital expenditure is a significant source of risk and uncertainty since cost variations, delays and changing specifications are often features of large and complex capital projects.

In order to manage the risks associated with capital programming the annual capital programme is updated every three months to reflect any cost variations, slippage or acceleration of projects.

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

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

## 5. Section 151 Officer comments:

5.1 The additional request for funding is unavoidable in order to allow the continuation of service at the two principal multi storey car parks in the City Centre. It is anticipated that they will be funded by capital receipts.

## 6. What are the legal aspects?

6.1 Monitoring of capital expenditure is required in order to comply with the provisions of the Local Government Act 2003.

6.2 The requirements imposed on the Council by the Act are set out in section 3 of the report.

## 7. Monitoring Officer's comments:

7.1 The Monitoring Officer has no additional comments.

## 8. Report details:

### 8.1. REVISIONS TO THE CAPITAL PROGRAMME

The 2025/26 Capital Programme, including commitments brought forward from 2024/25, was last reported to Council on 10 June 2025. Since that meeting the following changes have been made that have increased the programme:

Description	£	Approval/Funding
<b>Revised Capital Programme, as reported to Council 10 June 2025</b>	<b>45,228,920</b>	
Matford Centre Solar PV	58,000	Approved by Council 10 June 2025 – Agenda Item 13.
Strata Business Plan	452,760	
Financial Management System	46,000	
Decarbonisation – Riverside Leisure Centre	4,395,290	
Disabled Facilities Grant	146,200	
Paris Street Car Park	75,000	Approved by Council 10 June 2025 – Agenda Item 17.
<b>Revised Capital Programme</b>	<b>50,402,170</b>	

### 8.2. PERFORMANCE

The revised capital programme for the current financial year is £50.402 million. There are some schemes where the timing of the spend is uncertain, these schemes have a budget of £13.831 million, of the remaining £36.571 million budget the spend during the first

three months of the year was £0.524 million, which equates to 1.43% of the revised programme. This compares with £1.541 (6.36%) that was spent in the first three months of 2024/25.

The current programme is detailed in Appendix 1. For the schemes where the timing of the spend is within the control of the Council the Appendix shows a total forecast spend for 2025/26 of £34.634 million with £0.687 million of the programme potentially being deferred to 2026/27 and beyond.

Appendix 2 shows the approved budgets for 2026/27 with the proposed 2025/26 budget to be carried forward to 2026/27 and beyond for Council to consider for approval.

### 8.3. AVAILABLE CAPITAL RESOURCES

The available capital resources for the General Fund for 2025/26 are £25.993 million. An estimated spend of £48.376 million is required of which £27.406 million will be funded from borrowing with £5.022 million capital receipts carried forward to 2026/27.

Appendix 3 sets out the forecast use of the resources available for the General Fund and the likely amounts of borrowing that will be necessary to fund the capital programme over the next three years.

The value of actual capital receipts received in the quarter in respect of the General Fund are:

	General Fund £
<b>Balance as at 1 April 2025</b>	<b>0</b>
New Receipts	155,000
<b>Balance as at 30 June 2025</b>	<b>155,000</b>

### 8.4. EXPENDITURE VARIANCES

The main variances and issues concerning expenditure are as follows:

<b>Scheme</b>	<b>Variance £</b>
<b>Parks Anti-Intrusion Measures</b>	<b>£40,000</b>
<b>Bonhay Road/Andlaw House Footpath</b>	<b>(£40,000)</b>
<b>Officer Responsible: Head of Service – Operations</b>  The Bonhay Road/Andlaw House Footpath scheme will underspend this year to compensate for an overspend on the Parks Anti-Intrusion Measures project.	
<b>Farm Hill Retaining Walls (23 no.)</b>	<b>(£17,038)</b>
<b>Countess Wear Retaining Wall Rebuild</b>	<b>£17,038</b>
<b>Officer Responsible: Head of Service – Operations</b>  The Farm Hill scheme will underspend this year to compensate for an overspend on the Countess Wear Retaining Wall project.	
<b>BLRF - Exeter Canal Basin</b>	<b>(£589,400)</b>
<b>BLRF - Belle Isle</b>	<b>(£661,870)</b>
<b>Officer Responsible: Head of Service – Commercial Assets</b>  Despite feasibility work undertaken by the Council neither of the developments at Belle Isle or Exeter Canal Basin were able to come forward for residential development in the short term as required by the grant conditions as set out within the Brownfield Land Release Fund (BLRF). Therefore, these budgets which amount to £1.251 million will not be spent.	

#### 8.5. SCHEMES TO BE DEFERRED TO 2026/27 AND BEYOND

Schemes which have been identified as being wholly or partly deferred to 2026/27 and beyond are:

<b>Scheme</b>	<b>Budget to be Deferred £</b>
<b>Bowling Green Marshes Coastal Defence Scheme</b>	<b>109,190</b>
<b>District Street Lightning</b>	<b>373,070</b>
<b>Bromhams Farm Playing Fields</b>	<b>32,570</b>
<b>Landfill Gas Extraction Systems</b>	<b>25,350</b>
<b>ECC Bridge Repair Programme</b>	<b>146,360</b>
<p><b>Officer Responsible: Engineering &amp; Assets Manager</b></p> <p>Following an unsuccessful procurement exercise for the Bowling Green Marshes Coastal Defence Scheme an alternative approach has been selected which has required scoping and redesigning the project before procurement can commence and will increase the programme time into the next financial year.</p> <p>Delivery of works for the District Street Lighting project remain in Devon County Council's control with the project not expected to be completed this year.</p> <p>Works are progressing for the Bromhams Farm Playing Fields project with the deferral reflecting the longer contract duration agreed at tender stage to cover ongoing establishment maintenance.</p> <p>The landfill gas extraction project is expected to progress during the year but previous delays due to the need for wintertime monitoring of boreholes is likely to defer some of the works into the next financial year.</p> <p>Resourcing and operational delivery constraints have reduced capacity or extended project timelines for the delivery of the bridge programme resulting in fewer works planned in this financial year.</p>	

<b>Scheme</b>	<b>Budget to be Deferred £</b>
<b>St Nicholas Priory Roof</b>	<b>88,120</b>
<p><b>Officer Responsible: City Surveyor</b></p> <p>Regarding the St Nicholas Priory project, Historic England have asked that the funding bid needs to be resubmitted for a patch and repair as opposed to a complete replacement. A new bid will be submitted by the end of June 2026.</p>	

## 8.6 FURTHER FUNDING REQUESTS

### **Replacing Payment Equipment (John Lewis and Guildhall car parks) (£210,000)**

Funding is required to enable the replacement of payment machines (both card and cashless payment methods), barriers and associated equipment at the Guildhall and John Lewis car parks (together with their ongoing maintenance/servicing via a fixed

term linked contract with the provider). Given the age, obsolescence and reliability of the current equipment, this is considered a matter of increasing urgency. The installation works are expected to cause minimal disruption and are forecast to be completed by the end of November 2025.

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

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

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

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

## **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 impact 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 impact of each scheme is considered prior to approval. Any significant deviation from this will be noted within the body of this report.

## **12. Carbon Footprint (Environmental) Implications:**

12.1 We are working towards the Council's commitment to carbon neutral by 2030. The impact of each scheme is considered prior to approval.

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

13.1 There are no other options.

**Strategic Director of Corporate Resources & s151 Officer, Dave Hodgson**

Author: Nicola Morley and Paul Looby

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

Background papers used in compiling this report:-

None

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## 2025/26 CAPITAL MONITORING - QUARTER 1

## APPENDIX 1

Service	Scheme	Total 2025/26 Capital Programme	2025/26 Spend Quarter 1	2025/26 Forecast Spend	2025/26 Budget to be Carried Forward to 2026/27 and Beyond	2025/26 Programme Variances (Under)/Over
		£	£	£	£	£
<b>Operations</b>						
Environment & Waste	Waste Infrastructure	376,340	0	376,340	0	0
	Improved recycling containers	11,670	0	11,670	0	0
	Depot Improvement Works	7,816,560	3,450	7,816,560	0	0
	Food Waste Collections	857,140	0	857,140	0	0
	Noise Monitoring Equipment	4,290	0	4,290	0	0
Operations Service	Capitalised Staff Costs	300,000	0	300,000	0	0
	Bowling Green Marshes Coastal Defence Scheme	218,390	0	109,200	109,190	0
	Parks Infrastructure	180,110	9,950	180,110	0	0
	Cemeteries & Churchyards Infrastructure Improvements	120,760	0	120,760	0	0
	Bank Repairs & Stabilisation to Watercourses	19,230	0	19,230	0	0
	Pinhoe Playing Field Upgrades	38,900	1,942	38,900	0	0
	Parks Anti-Intrusion Measures	10,150	705	50,150	0	40,000
	Cricklepit Bridge	91,970	0	91,970	0	0
	Trews Weir refurb	337,580	0	337,580	0	0
	District Street Lighting	746,140	0	373,070	373,070	0
	Exeter Quay Cellars cliff face	29,410	0	29,410	0	0
	Ash Die Back Tree Replacement	82,520	4,026	82,520	0	0
	Fleet Lease costs	1,251,280	0	1,251,280	0	0
	Bromhams Farm Playing Fields	48,620	1,623	16,050	32,570	(0)
	Longbrook Street wall behind 30-38	5,000	0	5,000	0	0
	Northbrook Wild Arboretum	221,560	19,910	221,560	0	0
	Farm Hill Retaining Walls (23 no.)	509,540	0	492,502	0	(17,038)
	Mallison Bridge	35,630	0	35,630	0	0
	Bonhay Rd/Andlaw House Footpath	144,640	0	104,640	0	(40,000)
	St James' Weir & Ducks Marsh Meadow banks	75,000	0	75,000	0	0
	Heavitree Paddling Pools	100,010	0	100,010	0	0
	Play Areas	273,460	0	273,460	0	0
	Landfill Gas Extraction Systems	175,350	0	150,000	25,350	0
	Mincinglake Valley Park Reed Beds & Pipe Inlet	67,790	0	67,790	0	0
	Exeter Canal Bank Repairs	43,300	0	43,300	0	0
	ECC Bridge Repair Programme	430,460	0	284,100	146,360	(0)
	Countess Wear Retaining Wall Rebuild	0	17,038	17,038	0	17,038
	Canal Basin Bridge Refurbishment	50,000	0	50,000	0	0
	Outdoor Leisure Facilities - Newcourt	121,270	0	121,270	0	0
	Riverside Walls at Quay	50,000	0	50,000	0	0
	Leisure Complex - Build Project	650,000	0	650,000	0	0
	Civic Centre Air Conditioning Replacement	25,000	0	25,000	0	0
	Riverside Leisure Centre	29,000	0	29,000	0	0
	Fire Risk Assessment Works	1,624,510	0	1,624,510	0	0
	Leisure Complex - Fit Out	346,640	0	346,640	0	0
	Exmouth Buoy Store	212,720	0	212,720	0	0
	Riverside Sports Hall Roof	60,870	0	60,870	0	0
	Guildhall MSCP	883,400	0	883,400	0	0
	John Lewis MSCP	357,760	0	357,760	0	0

Service	Scheme	Total 2025/26 Capital Programme	2025/26 Spend Quarter 1	2025/26 Forecast Spend	2025/26 Budget to be Carried Forward to 2026/27 and Beyond	2025/26 Programme Variances (Under)/Over
		£	£	£	£	£
Asset Maintenance	Princesshay 2 MSCP	424,400	0	424,400	0	0
	Leighton Terra & KW St MSCP	306,100	0	306,100	0	0
	Civic Centre Phase 3 Roof Rep	15,700	9,069	15,700	0	0
	City Wall	554,190	37,025	554,190	0	0
	Backlog Maintenance	432,850	4,444	432,850	0	0
	BLRF - Exeter Canal Basin	589,400	0	0	0	(589,400)
	BLRF - Mary Arches Car Park	1,285,420	0	1,285,420	0	0
	BLRF - Belle Isle	661,870	0	0	0	(661,870)
	BLRF - Clifton Hill	201,930	0	201,930	0	0
	BLRF - Lower Wear Road	293,390	0	293,390	0	0
	Cathedral Green Display Cases	35,000	0	35,000	0	0
	Topsham Museum	221,070	3,158	221,070	0	0
	Leisure Property enhancements	2,027,010	40,949	2,027,010	0	0
	Commercial Property Ancillary Accommodation flat roof recovering	46,720	0	46,720	0	0
	RAMM Roof Repair & Insulation	72,530	0	72,530	0	0
	Corn Exchange Lift	50,000	0	50,000	0	0
<b>TOTAL</b>		<b>26,251,550</b>	<b>153,289</b>	<b>24,313,739</b>	<b>686,540</b>	<b>(1,251,271)</b>
<b>Corporate Resources</b>						
Commercial Assets	Bus Station Construction	100,370	0	100,370	0	0
	Improved Car Park Security Measures at King William Street & Arena Park	19,670	0	19,670	0	0
	Wat Tyler House - resolving ongoing water ingress with new rainwater system	269,170	0	269,170	0	0
	Commercial Properties - capital improvements to enable ongoing income (compliance with EPC legislation)	120,000	0	120,000	0	0
	Paris Street Car Park	75,000	0	75,000	0	0
	Matford Centre Solar PV	58,000	0	58,000	0	0
<b>TOTAL</b>		<b>642,210</b>	<b>0</b>	<b>642,210</b>	<b>0</b>	<b>0</b>
<b>People &amp; Communities</b>						
	Customer Contact Platform	155,540	25,402	155,540	0	0
	Annual Contribution to Strata	53,910	0	53,910	0	0
	Idox System for Planning	52,780	0	52,780	0	0
	Financial Management	190,140	1,702	190,140	0	0
	IT Replacement Programme	10,000	0	10,000	0	0
	Core telephony	16,850	0	16,850	0	0
	EUC model staff	9,190	271	9,190	0	0
	EUC model equipment (replacement laptops)	247,360	132,981	247,360	0	0
	Booking	17,970	0	17,970	0	0
	Chatbot	17,970	0	17,970	0	0
	Print & post review	7,190	0	7,190	0	0
	PSTN Replacement	27,770	1,386	27,770	0	0
	ECC Civic Centre HFX Door Access Replacement	35,100	0	35,100	0	0
	System Upgrade Cost 2012 Server replacement	3,380	1,129	3,380	0	0

Service	Scheme	Total 2025/26 Capital Programme	2025/26 Spend Quarter 1	2025/26 Forecast Spend	2025/26 Budget to be Carried Forward to 2026/27 and Beyond	2025/26 Programme Variances (Under)/Over
		£	£	£	£	£
Digital & Data	GIS Cloud Migration	230	0	230	0	0
	Microsoft Purview	9,000	0	9,000	0	0
	Microsoft Power Apps	30,000	0	30,000	0	0
	Software Upgrade	12,330	4,941	12,330	0	0
	Sharegate	3,400	0	3,400	0	0
	SharePoint- wider rollout	89,840	0	89,840	0	0
	Health and Safety	26,950	0	26,950	0	0
	GMS move to Cloud Version	5,390	0	5,390	0	0
	EzyTreev	10,000	0	10,000	0	0
	Mobile Working Replacement	17,970	0	17,970	0	0
	iTrent on Prem to iTrent Hosted	35,940	0	35,940	0	0
	Azure Migration Prof Services	53,900	0	53,900	0	0
	System Upgrades	35,940	0	35,940	0	0
	EUC	53,000	0	53,000	0	0
	Transformational Staffing Costs	79,060	0	79,060	0	0
	Telephony	29,770	0	29,770	0	0
	Dark Fibre Migration	15,000	0	15,000	0	0
Housing	Disabled Facility Grants	1,216,990	196,769	1,216,990	0	0
<b>TOTAL</b>		<b>2,659,710</b>	<b>364,582</b>	<b>2,659,710</b>	<b>0</b>	<b>0</b>
<b>Place</b>						
City Centre & Net Zero	CCTV improvements	7,980	0	7,980	0	0
	Riverside & RAMM Decarbonisation Phase 4	4,395,290	5,200	4,395,290	0	0
	Riverside & RAMM Decarbonisation Projects	900,150	0	900,150	0	0
Culture & Leisure	Leisure Equipment Replacement Programme	438,090	762	438,090	0	0
	Pinhoe Community Hub	1,276,470	0	1,276,470	0	0
<b>TOTAL</b>		<b>7,017,980</b>	<b>5,962</b>	<b>7,017,980</b>	<b>0</b>	<b>0</b>
<b>SUB TOTAL PLANNED CAPITAL PROGRAMME</b>		<b>36,571,450</b>	<b>523,833</b>	<b>34,633,639</b>	<b>686,540</b>	<b>(1,251,271)</b>
<b>APPROVED COMMITTED SCHEMES WITH EXTERNAL FACTORS THAT IMPACT ON DELIVERY TIMESCALES</b>						
Asset Maintenance	Green Space Depot Site (Belle Isle)	2,875,970	0	2,875,970	0	0
Commercial Assets	Guildhall Shopping Centre Enhancements	10,866,630	0	10,866,630	0	0
	St Nicholas Priory Roof	88,120	0	0	88,120	0
<b>TOTAL</b>		<b>13,830,720</b>	<b>0</b>	<b>13,742,600</b>	<b>88,120</b>	<b>0</b>
<b>GENERAL FUND SERVICES TOTAL</b>		<b>50,402,170</b>	<b>523,833</b>	<b>48,376,239</b>	<b>774,660</b>	<b>(1,251,271)</b>

BUDGETS CARRIED FORWARD TO 2026/27 AND BEYOND

Service	Scheme	2026/27 Budget as per Budget Book/Council Approvals	Proposed Budget to be Carried Forward to 2026/27 and Beyond	Proposed Budget Reprofiled to Future Years	Total 2026/27 Capital Programme	2027/28 Budget as per Budget Book/Council Approvals
		£	£	£	£	£
<b>Operations</b>						
Operations Service	Capitalised Staff Costs	150,000	0		150,000	150,000
	Bowling Green Marshes Coastal Defence Scheme	217,870	109,190		327,060	
	Parks Infrastructure	75,000	0		75,000	
	Trews Weir refurb	3,099,510	0		3,099,510	
	District Street Lighting	200,000	373,070		573,070	
	Piazza Terracina	158,560	0		158,560	
	Ash Die Back Tree Replacement	75,000	0		75,000	
	Fleet Lease costs	2,329,910	0		2,329,910	2,066,520
	Bromhams Farm Playing Fields		32,570		32,570	
	Farm Hill Retaining Walls (23 no.)	265,000	0		265,000	
	Heavitree Paddling Pools	426,680	0		426,680	
	Play Areas	166,900	0		166,900	
	Landfill Gas Extraction Systems	80,000	25,350		105,350	
	Mincinglake Valley Park Reed Beds & Pipe Inlet	100,000	0		100,000	
	ECC Bridge Repair Programme	200,000	146,360		346,360	
	Oxford Road Car Park Retaining Wall	200,000	0		200,000	
<b>TOTAL</b>		<b>7,744,430</b>	<b>686,540</b>	<b>0</b>	<b>8,430,970</b>	<b>2,216,520</b>
<b>People &amp; Communities</b>						
Digital & Data	Annual Contribution to Strata	53,910	0		53,910	53,910
	IT Replacement Programme	10,000	0		10,000	10,000
	EUC model equipment (replacement laptops)	150,000	0		150,000	150,000
Housing	Disabled Facility Grants	800,000	0		800,000	800,000
<b>TOTAL</b>		<b>1,013,910</b>	<b>0</b>	<b>0</b>	<b>1,013,910</b>	<b>1,013,910</b>
<b>Place</b>						
Culture & Leisure	Leisure Equipment Replacement Programme	100,000	0		100,000	100,000
<b>TOTAL</b>		<b>100,000</b>	<b>0</b>	<b>0</b>	<b>100,000</b>	<b>100,000</b>
<b>SUB TOTAL PLANNED CAPITAL PROGRAMME</b>		<b>8,858,340</b>	<b>686,540</b>	<b>0</b>	<b>9,544,880</b>	<b>3,330,430</b>
<b>APPROVED COMMITTED SCHEMES WITH EXTERNAL FACTORS THAT IMPACT ON DELIVERY TIMESCALES</b>						
Commercial Assets	St Nicholas Priory Roof		88,120		88,120	
<b>TOTAL</b>		<b>0</b>	<b>88,120</b>	<b>0</b>	<b>88,120</b>	<b>0</b>
<b>GENERAL FUND SERVICES TOTAL</b>		<b>8,858,340</b>	<b>774,660</b>	<b>0</b>	<b>9,633,000</b>	<b>3,330,430</b>

## GENERAL FUND AVAILABLE RESOURCES

GENERAL FUND	2025-26 £	2026-27 £	2027-28 £	FUTURE YEARS £	TOTAL £
<b>CAPITAL RESOURCES AVAILABLE</b>					
Capital Receipts Brought Forward	0				0
GF Capital Receipts	8,527,500	0	0	0	8,527,500
Revenue Contributions to Capital Outlay	174,386	0	0	0	174,386
Disabled Facility Grant	1,216,990	800,000	800,000	800,000	3,616,990
Community Infrastructure Levy	8,186,647	476,895	0	0	8,663,542
Other - Grants/External Funding/Reserves/S106	7,887,060	993,195	0	0	8,880,255
<b>Total Resources Available</b>	<b>25,992,583</b>	<b>2,270,090</b>	<b>800,000</b>	<b>800,000</b>	<b>29,862,673</b>
<b>GENERAL FUND CAPITAL PROGRAMME</b>					
Capital Programme	50,402,170	8,858,340	3,330,430	1,263,910	63,854,850
Overspends/(Savings)	(1,251,271)				(1,251,271)
Slippage	(774,660)	774,660	0		0
<b>Total General Fund</b>	<b>48,376,239</b>	<b>9,633,000</b>	<b>3,330,430</b>	<b>1,263,910</b>	<b>62,603,579</b>

<b>UNCOMMITTED CAPITAL RESOURCES:</b>					
Capital Receipts Brought Forward	0	5,022,340	2,005,450	0	0
Resources in Year	25,992,583	2,270,090	800,000	800,000	29,862,673
Less Capital Receipts to carry forward	(5,022,340)	(2,005,450)	0	0	0
Less Spend in Year	(48,376,239)	(9,633,000)	(3,330,430)	(1,263,910)	(62,603,579)
<b>Borrowing Requirement</b>	<b>27,405,997</b>	<b>4,346,020</b>	<b>524,980</b>	<b>463,910</b>	<b>32,740,907</b>

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## REPORT TO COUNCIL

Date of Meeting: 2 September 2025

Report of: Strategic Director - Corporate Resources

Title: 2025/26 Housing Revenue Account Budget Monitoring Report – Quarter 1

### Is this a Key Decision?

No

### Is this an Executive or Council Function?

Council

### 1. What is the report about?

1.1 To advise Members of the financial position of the Housing Revenue Account (HRA) Revenue and Capital Budgets for the 2025/26 financial year after three months.

In addition to the budgetary over/under-spends reported to this committee, Appendix 1 also highlights areas of risk, so that Members are aware that certain budgets have been identified as being vulnerable to factors beyond the control of the Council, which may result in potential deviations from budget, and are therefore subject to close monitoring by officers.

### 2. Recommendations:

2.1 It is recommended that Council notes and approves (where applicable):

- the HRA forecast financial position for 2025/26 financial year as detailed in Appendix 2;
- the revision of the HRA Capital Programme to reflect the reported variations detailed in Appendix 4;
- a request to transfer £157k decorations revenue budget to the communal flooring capital budget (see paragraph 8.3); and
- approval to spend £190,700 grant from Devon County Council to support the Local Authority Housing Fund round 3 (see paragraph 8.7).

### 3. Reasons for the recommendation:

3.1 To formally note the HRA's projected financial position and to approve the reported variations to the HRA Capital Programme.

The Housing Revenue Account is a statutory account and local housing authorities have a duty to keep a HRA in accordance with proper accounting practices and to review the account throughout the year. Members are presented with a quarterly financial update in respect of the HRA and this is the first update for 2025/26.

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

4.1 The financial resources required to deliver both housing services to Council tenants and to invest in new and existing housing stock during 2025/26 are set out in the body of this report.

The impact on the HRA's available financial resources are set out in Appendix 3.

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

5.1 There are no significant issues to draw to Council's attention.

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

6.1 The statutory requirement for a Housing Revenue Account (HRA) is set out in Part VI of the Local Government and Housing Act 1989. Section 74 of the Act sets out the duty to keep a HRA as a ring-fenced fund and sets out the structure within which the HRA operates. Part VI of the Act sets out the detailed statutory provisions on the operation of the HRA, including credits to the account (income) and debits to the account (expenditure). Section 76 sets out the duty to prevent a debit balance on the HRA. The authority must implement proposals that will secure that the account for each financial year will not show a debit balance. Members will also note the provisions of Schedule 4 of the Act which sets out the requirements concerning 'The Keeping of the Housing Revenue Account'.

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

7.1 As set out in the introduction to this report, Members will note the budgetary over/under-spends and will particularly note the areas of risk set out at Appendix 1 to this report. Members will be alert to the fact that certain budgets have been identified as potentially resulting in deviations from budget. This report makes it clear that these budgets will be subject to close monitoring by officers. The key issue is that the authority must ensure that the HRA for the financial year does not show a debit balance. Members will note the proposal to transfer funds from the working balance in order to achieve a balanced budget at the end of the financial year. As Members will note from this report, it is anticipated that the transfer from the working balance for 2025/26 will bring the working balance as at 31 March 2026 close to the HRA balance that Members previously resolved to be retained of £3.525m.

#### **8. Report details:**

##### **HRA BUDGET MONITORING – QUARTER 1**

##### **8.1 Background to the HRA**

The HRA records expenditure and income relating to council dwellings and the provision of services to tenants. Housing authorities have a statutory duty to maintain a HRA account, which is primarily a landlord account, in order to account to their tenants for income and expenditure on council housing separately from other functions and services of the Council. This includes tenancy management, repairs and maintenance, council house building and council house retrofits.

##### **8.2 Projected transfer from the working balance**

<b>2025/26 Budget</b>	<b>£</b>
MANAGEMENT	1,727,260
EDWARDS COURT	(158,960)
TENANCY SERVICES	1,921,450
RESIDENT INVOLVEMENT	323,640
SUNDRY LANDS MAINTENANCE	472,020
REPAIR & MAINTENANCE PROGRAMME	8,917,790
REVENUE CONTRIBUTION TO CAPITAL	1,000,000
CAPITAL CHARGES	3,724,680
HOUSING ASSETS	3,004,690
RENTS	(22,110,850)
INTEREST	1,739,350
<b>Approved Budgeted transfer from the working balance</b>	<b>(561,070)</b>
Supplementary budgets – Council approved 10th June 2025	(19,000)
<b>Revised Budgeted transfer from the working balance</b>	<b>(580,070)</b>

The HRA has working balances of £4,905,388 as at 31 March 2025. This is higher than the £3.525 million contingency resolved to be retained.

### 8.3 Revenue Monitoring

The budget variances anticipated at Quarter 1 indicate that £423,070 will be taken from the working balance in 2025/26 – See appendix 2. This represents a movement of £157k compared to the revised budget £580,070. Variances are detailed below:

<b>Budget Heading</b>	<b>Forecast Outturn Budget Variance at Quarter 1 (Under) / Overspend</b>
<b>Repairs and Maintenance Programme</b>	<b>(£157,000)</b>
<b>Officer Responsible: Head of Asset Maintenance</b> <ul style="list-style-type: none"> <li><b>Internal decorations</b> – it is requested that the revenue budget for re-decoration is used instead to support the communal flooring capital budget to replace carpets in communal area which are overdue for replacement.</li> </ul>	
<b>Total budget (underspend)/overspend</b>	<b>£157,000</b>
<b>2025/26 HRA Deficit / (Surplus)</b>	<b>£423,070</b>

### 8.4 Impact on HRA Working Balance

The HRA Working Balance represents amounts set aside to help facilitate service improvements, repay debt or to provide investment in the stock in future financial years.

The forecast balance, as at 31 March 2026, is set out below:

<b>Movement</b>	<b>2025/26</b>
Opening HRA Working Balance, as at 1 April 2025	£4,905,388
Forecast transfer (from) / to the working balance for 2025/26	(£423,070)
Balance resolved to be retained (HRA contingency)	(£3,525,000)
<b>Forecast Balance Available, as at 31 March 2026</b>	<b>£957,318</b>

The transfer from the working balance anticipated for 2025/26 brings the working balance as at 31 March 2026 close to the HRA balance resolved to be retained of £3.525m.

### 8.5 HRA Available Resources over the Medium Term

The forecast HRA available resources for delivering both housing services and capital investment are set out in Appendix 3 for the period to 2028/29.

The total available resources is made up of several reserve balances; the HRA working balance, the Useable Capital Receipts reserve and the Major Repairs Reserve.

The HRA working balance is the movement on revenue budgets, contributions can be made from this reserve towards financing capital budgets in the form of 'Revenue Contributions to Capital'. The useable capital receipts reserve is made up of both the Right-to-Buy (RTB) receipts reserve and the Non-RTB receipts reserve; these reserves are available to finance capital spend; some restrictions apply. The Major Repairs Reserve is increased each year by the HRA depreciation charge to revenue; this reserve is then available to spend on the HRA capital programme.

The total forecast HRA available resources is impacted by variances in both revenue budgets detailed in section 8.3 above and variances in capital budgets detailed in section 8.7 below.

The forecast total available resources over the Medium-Term Financial Plan (MTFP) has increased by £275k. This is due to additional Right to Buy receipts received which are partly offset by the need to allocate further receipts to complete Vaughan Road Phase A.

Total available reserves over the MTFP are now expected to be £3,172,026 after deducting the £3.525 million balance resolved to be retained (HRA contingency).

### 8.6 HRA Debt

In October 2018 the Government formally removed the HRA debt cap, which restricted the amount of borrowing stock-holding local authorities could have for the purposes of the HRA. The lifting of the 'debt cap' means that local authorities are now able to borrow for housebuilding in accordance with the Prudential Code.

Executive on 8 October 2019 approved the first Council House Building Programme to deliver 100 new homes into the HRA at a cost of £18 million. On 5 April 2020, the Council took out a loan of £15.36 million from the Public Works Loan Board to support this programme, with the balance to be funded by capital receipts.

As at 31 March 2024, the HRA's borrowing stood at £73.242 million. The total of the £15.360 million new loan and the former 'debt cap' level of £57.882 million. The HRA currently has approval to borrow a further £7.7 million, this has been deferred whilst borrowing rates remain elevated but will likely be required in the next 12 to 24 months.

There have been financial pressures on the Temporary Accommodation budget due to increases in demand which is a national issue. During 2025/26 a review of the service is being undertaken to identify opportunities for intervening earlier in the homeless pathway which may result in greater use of government grants on prevention activity. As an interim measure, to reduce unit cost whilst also increasing quality of temporary accommodation, it is intended that ECC will enter into long-term lease arrangements for a number of properties.

Legal advice has recommended that these properties should sit within the HRA stock, so the capitalised value of the lease payments is included in the HRA capital programme below and treated as borrowing.

## 8.7 HRA Capital Programme

The 2025/26 HRA Capital Programme was approved by Council on 20th February 2025. Since that meeting the following changes have been made that have increased the 2025/26 programme.

Description	2025/26	Approval / Funding
<b>HRA Capital Programme</b>	<b>£16,344,475</b>	
Budgets carried forward from 2024/25 HRA Capital Programme	£1,802,599	Council – 10 <sup>th</sup> June 2025
Additional approvals	£3,520,792	Council – 10 <sup>th</sup> June 2025
<b>Revised HRA Capital Programme</b>	<b>£21,667,866</b>	

The current approved HRA Capital Programme is detailed in Appendix 4.

The appendix shows a total forecast spend in 25/26 of £22,356,784. The details of key (greater than +/- £30k) variances from budget are set out below.

Scheme	Overspend / (Underspend)
--------	--------------------------

<b>Communal Area Improvements – New Flooring</b>	<b>£157,000</b>
<b>Officer Responsible: Head of Asset Maintenance</b> Virement of budget from Planned communal decorations budget to allow some blocks to have flooring upgraded.	
<b>Vaughan Road Phase A</b>	<b>£530,000</b>
<b>Officer Responsible: Head of Asset Maintenance</b> Funding has previously been approved for the completion of this development project but the specific budget has now been quantified as stated.	

No schemes are identified as being wholly or partly deferred to 2026/27 or beyond as at Quarter 1.

#### Local Authority Housing Fund (LAHF) – round 3

DCC has provided £190,700 to ECC as a one-off grant. This grant funding will be used towards the purchase of 2 x two-bedroom properties and 1 x four-bed property under round 3 to resettle Afghan families. This is in addition to two properties purchased in 2024/25. The Council currently has £297,000 of Section 106 funding set aside for this purchase, as agreed by Council on 10<sup>th</sup> of June 2024. The £190,700 grant from DCC will reduce the funding required from Section 106 to £106,300.

#### **Historic Council Own Build Final Accounts to 31 March 2026**

The Council's Own Build (COB) properties at Rowan House and Knights Place form part of the overall Housing Revenue Account, but separate income and expenditure budgets are maintained in order to ensure that they are self-financing.

As the 21 units were built using Homes and Communities Agency funding in conjunction with borrowing (£998k), they are accounted for separately in order to ensure that they are self-financing. A separate COB working balance and Major Repairs Reserve are maintained until such time as a sufficient balance has been accumulated to repay the debt attributable to these properties, at which point the units can be accounted for with the wider HRA stock.

#### Key Variances from Budget

There are no projected variances to report at the end of Quarter 1. The budgeted transfer from working balance is £7,000 during 2025/26.

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

9.1 The Housing Revenue Account contributes to a key purposes, as set out in the Corporate Plan; Building great neighbourhoods.

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

10.1 For clarity, these are specific financial risks, alongside the risks captured in the corporate risk register.

It is not permissible for the HRA to go into an overall financial deficit position; it is therefore important to ensure that an adequate level of HRA balances is maintained as a contingency against risks. The HRA resolve to retain a working balance at no less than £4 million to mitigate against financial risks.

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

## **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 impact 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 there are no significant equality and diversity impacts associated with this decision.

## **12. Carbon Footprint (Environmental) Implications:**

12.1 We are working towards the Council's commitment to carbon neutral by 2030. The impact of each scheme is considered prior to approval.

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

13.1 None

**Strategic Director Corporate Resources, David Hodgson**

Author: Claire Hodgson




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

Background papers used in compiling this report:-




None

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Three areas of budgetary risk have been identified within the HRA, as follows:

Budget Title	2025/26 Approved Budget	Risk Rating	Risk and mitigation
General Maintenance	£3,580,230 (revenue)		<p>There have been overspends on this budget in recent year due to volatility in the demand of the level and cost of requested repairs. This includes increased focus on monitoring and remedial works where damp and mould issues are identified. In recognition of this the budget was significantly increased for 25/26 based on previous spend.</p> <p>Spend to month three is slightly ahead of profile and will be closely monitored for the rest of the year.</p> <p>Mitigation measures include contract meetings with the Contractor which include budget review and work in progress updates. Other supporting measures include weekly Surveyors meetings to highlight repair demand pressures.</p>
Repairs to Void Properties	£1,822,180 (revenue)		<p>Property turnover and the varying condition of properties when returned to the Council represent a budgetary risk, and this budget has also overspent in recent years and has been increased for 25/26.</p> <p>As at Quarter 1 spend is broadly in line with the budget.</p> <p>Mitigation includes increasing the number and timeliness of property inspections by Housing Officers to identify sub-standard property conditions wherever possible and provide earlier alerts to issues.</p>
Rental Income from Dwellings	(£22,110,850) (revenue)		<p>Right to Buy sales, new properties, the number of new tenancies set at convergent rent levels, the number of days lost through major works and rent lost in respect of void properties all impact on the annual rental income.</p> <p>Rental income after the first 3 months is largely in line with profile.</p>

#### Risk Rating:

	Potential for a favourable variance compared to the budget or no variance at all
	Potential for adverse budgetary variance of between 0% and 5% that will be kept under review
	Potential for an adverse budgetary variance of more than 5% and will be monitored closely

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## HOUSING REVENUE ACCOUNTS BUDGET MONITORING 2025-26

## APPENDIX 2

## QUARTER 1

ACTUAL TO DATE			MANAGEMENT UNIT	YEAR END FORECAST		
PROFILED BUDGET	ACTUAL TO DATE	VARIANCE TO DATE		APPROVED BUDGET	Q1 FORECAST VARIANCE	CURRENT OUTTURN FORECAST
£	£	£		£	£	£
Page 129			<b>PEOPLE &amp; COMMUNITIES - HRA HOUSING</b>			
	70,768	36,738	(34,030) RESIDENT INVOLVEMENT	323,640	0	323,640
	285,953	391,339	105,386 MANAGEMENT	1,727,260	0	1,727,260
	(4,203)	(128,075)	(123,872) EDWARDS COURT	(158,960)	0	(158,960)
	475,068	376,157	(98,911) TENANCY SERVICES	1,921,450	0	1,921,450
	(5,527,713)	(5,402,853)	124,860 RENTS	(22,110,850)	0	(22,110,850)
			<b>HRA ASSET MAINTENANCE</b>			
	147,648	50,676	(96,972) SUNDRY LAND MAINTENANCE	472,020	0	472,020
	2,376,328	1,973,704	(402,624) REPAIRS & MAINTENANCE PROGRAMME	8,936,790	(157,000)	8,779,790
	1,015,233	991,907	(23,326) GENERAL MAINTENANCE	3,580,230	0	3,580,230
	455,545	442,240	(13,305) REPAIRS TO VOID PROPERTIES	1,822,180	0	1,822,180
	394,390	295,154	(99,236) SERVICE CONTRACTS	1,470,740	0	1,470,740
	511,160	244,403	(266,757) OTHER	2,063,640	(157,000)	1,906,640
	0	0	0 REVENUE CONTRIBUTION TO CAPITAL	1,000,000	0	1,000,000
	0	0	0 CAPITAL CHARGES	3,724,680	0	3,724,680
	644,753	597,120	(47,633) HOUSING ASSETS	3,004,690	0	3,004,690
	434,838	272,598	(162,240) INTEREST	1,739,350	0	1,739,350
			MOVEMENT TO/(FROM) WORKING BALANCE	(580,070)	157,000	(423,070)
			<b>Net Expenditure</b>	<b>0</b>	<b>0</b>	<b>0</b>
			<b>Working Balance 1 April 2025</b>	<b>4,905,388</b>	<b>31 March 2026</b>	<b>4,482,318</b>

## COUNCIL OWN BUILD SITES

PROFILED BUDGET	ACTUAL TO DATE	VARIANCE TO DATE		APPROVED BUDGET	Q1 FORECAST VARIANCE	CURRENT OUTTURN FORECAST
£	£	£		£	£	£
21,730	17,182	(4,548)	MANAGEMENT	86,920	0	86,920
(3,393)	(3,825)	(433)	ROWAN HOUSE	(13,570)	0	(13,570)
(20,243)	(21,845)	(1,603)	KNIGHTS PLACE	(80,970)	0	(80,970)
0	0	0	INTEREST	(2,510)	0	(2,510)
0	0	0	CAPITAL CHARGES	17,130	0	17,130
			MOVEMENT TO/(FROM) WORKING BALANCE	(7,000)	0	(7,000)
			<b>Net Expenditure</b>	<b>0</b>	<b>0</b>	<b>0</b>
			<b>Working Balance 1 April 2025</b>	<b>339,044</b>	<b>31 March 2026</b>	<b>332,044</b>

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APPENDIX 3

HRA AVAILABLE RESOURCES

HOUSING REVENUE ACCOUNT	2025-26 £	2026-27 £	2027-28 £	2028-29 £	TOTAL £
<b>CAPITAL RESOURCES AVAILABLE</b>					
Usable Receipts Brought Forward					5,221,900
Major Repairs Reserve Brought Forward					4,999,469
Other HRA Sales	936,000				936,000
RTB sales	2,324,047				2,324,047
Surrender back to DLUHC - pending investment in replacement affordable housing					
Major Repairs Reserve	3,724,680	3,724,680	3,724,680	3,724,680	14,898,720
Revenue Contributions to Capital	1,000,000	1,000,000	2,100,000	1,900,000	6,000,000
Local Authority Housing Fund grant and s106	580,790	-	-		580,790
Grants and contributions	1,360,500				1,360,500
Commuted sums	0				0
Borrowing	7,748,380				7,748,380
Borrowing - long leases	2,645,792				2,645,792
<b>Total Resources available</b>	<b>20,320,189</b>	<b>4,724,680</b>	<b>5,824,680</b>	<b>5,624,680</b>	<b>46,715,598</b>
<b>CAPITAL PROGRAMME</b>					
HRA Capital Programme	21,667,866	9,973,253	6,966,569	5,525,867	44,133,555
Q1 - changes	687,000	0	0	0	687,000
<b>Total Housing Revenue Account</b>	<b>22,354,866</b>	<b>9,973,253</b>	<b>6,966,569</b>	<b>5,525,867</b>	<b>44,820,555</b>
<b>UNCOMMITTED CAPITAL RESOURCES:</b>					
Usable Receipts Brought Forward	5,221,900	832,275	832,275	832,275	5,221,900
Major Repairs Reserve Brought Forward	4,999,469	7,354,417	2,105,844	963,955	4,999,469
Resources in Year	20,320,189	4,724,680	5,824,680	5,624,680	36,494,229
Less Estimated Spend	(22,354,866)	(9,973,253)	(6,966,569)	(5,525,867)	(44,820,555)
<b>Uncommitted Capital Resources</b>	<b>8,186,692</b>	<b>2,938,119</b>	<b>1,796,230</b>	<b>1,895,043</b>	<b>1,895,043</b>
<b>WORKING BALANCE RESOURCES:</b>					
Balance Brought Forward	4,905,388	4,482,318	4,696,819	4,389,339	4,905,388
HRA Balance Transfer - to/(from) Working Balance	(580,070)	214,501	(307,480)	412,644	(260,405)
Q1 forecast under/(over)spend 2025-26	157,000				157,000
Balance Carried Forward	4,482,318	4,696,819	4,389,339	4,801,983	4,801,983
Balance Resolved to be Retained	(3,525,000)	(3,525,000)	(3,525,000)	(3,525,000)	(3,525,000)
<b>Uncommitted HRA Working Balance (after balance resolved to be retained of £3.525m)</b>	<b>957,318</b>	<b>1,171,819</b>	<b>864,339</b>	<b>1,276,983</b>	<b>1,276,983</b>
<b>TOTAL AVAILABLE CAPITAL RESOURCES (after balance resolved to be retained of £3.525m)</b>	<b>9,144,010</b>	<b>4,109,938</b>	<b>2,660,569</b>	<b>3,172,026</b>	<b>3,172,026</b>

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**2025-26**  
**CAPITAL MONITORING - QUARTER 1**

	2025-26 Capital Programme	2025-26 Spend	2025-26 Forecast Spend	2025-26 Budget to be Carried Forward to Future Years	TO 2026-27	TO 2027-28	TO 2028-29	2025-26 Programme Variances Under ( )
	£	£	£	£	£	£	£	£
<b>HRA CAPITAL</b>								
Adaptations	360,000	156,999	360,000					-
Communal Door Entry Systems	500,000		500,000					
FRA Door Entry Instals	150,000		150,000					
Balcony Walkway Improvements	108,000		108,000					-
Bathroom Replacements (inc. Communal)	600,000	54,916	600,000					-
Boiler Replacement Programme & Central Heating	455,875	112,814	455,875					-
Common Area Footpath & Wall Improvements	97,000		97,000					-
Communal Area Improvements - New Flooring	40,614	0	197,614					157,000
Electrical Central Heating	10,000		10,000					-
Replacement of Fire alarms	172,500		172,500					-
Electrical Rewires - Communal & domestic	626,126	248,109	626,126					-
Energy Conservation		58,461	0					-
SHF Wave 3	1,496,478	92,101	1,496,478					-
Fire Risk Assessment Works	1,510,000	53,360	1,510,000					-
Fire Safety Storage Facilities	109,462	28,463	109,462					-
Kitchen Replacements (inc. Communal)	827,000	234,456	827,000					-
LAINGS Refurbishments	2,150,000	19,591	2,150,000					-
Lift Upgrades	400,000	5,845	400,000					-
Reroofing - Flats	670,250	90,502	670,250					-
Reroofing - Houses	930,000	9,610	930,000					-
Porch Canopies	94,200	12,445	94,200					-
Rennes House	1,007,498	67,242	1,007,498					-
Structural Repairs	609,160	7,720	609,160					-
Window & Door Replacements	1,400,000	233,540	1,400,000					-
Plastering	125,000	47,933	125,000					-
Central Heating - Abbeville & Hamlin	520,000		520,000					-
Right of Use - HRA long leases	2,645,792		2,645,792					-
<b>HOUSING REVENUE ACCOUNT TOTAL</b>	<b>17,614,955</b>	<b>1,534,108</b>	<b>17,771,955</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>157,000</b>
<b>COUNCIL OWN BUILD CAPITAL</b>								
Social Housing Acquisitions - Open Market	800,000	402,601	800,000					-
Local Authority Housing Fund	580,789	5,981	580,789					-
Council House Building Programme - Bovemoors Lane	14,605	0	14,605					-
Council House Building Programme - Hamlin Gardens	75,000	1,918	75,000					-
Council House Building Programme - Vaughan Road Phase A	2,582,517	971,255	3,112,517					530,000
<b>COUNCIL OWN BUILD TOTAL</b>	<b>4,052,911</b>	<b>1,381,755</b>	<b>4,582,911</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>530,000</b>
<b>OVERALL HOUSING REVENUE ACCOUNT TOTAL</b>	<b>21,667,866</b>	<b>2,915,863</b>	<b>22,354,866</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>687,000</b>

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## **Rivers 2 transparency template motion 20.8.2025**

### **Rivers Motion 2, August 2025.**

#### **This Council notes that:**

Increasing dialogue and working with relevant stakeholders is the key to improving water quality to benefit all Exeter residents and wildlife.

This government has made improving river quality a key priority. The Environment Secretary MP Steve Reed has pledged that sewage pollution from water companies will be cut in half by the end of the decade.<sup>i</sup> “The Government, in partnership with investors, has secured funding to rebuild the entire water network to clean up our rivers with a record £104 billion being invested to upgrade crumbling pipes and build new sewage treatment works cutting sewage pollution into rivers.”

In July 2019 Exeter declared a climate emergency, and this was strengthened in April 2021 by including biodiversity. The Exe Estuary has the highest protection status afforded to it and is designated a Site of Special Scientific Interest and a Special Protection Area because it supports internationally important populations of birds. The Council has an obligation to protect its rivers and the City Council’s Harbour Board has, as one of its core values “We will lead on environmental stewardship of the Port.”<sup>ii</sup>

South Hams District Council recently voted unanimously to request SWW use the Friends of the River Dart’s “Transparency Template” to record all information regarding infrastructure upgrades so that progress to improved systems can be easily understood and communicated to the public.<sup>iii</sup> The Transparency Template is an easy to understand pro forma which SWW is requested to complete to detail all of their pieces of infrastructure in the region, their capacity and method of filtration, and the timetable for upgrade. The FORE Transparency Template is attached, SWW completing this will enable the public to easily understand SWW’s planned investment in its infrastructure and so can track progress to better water quality.

#### **This Council resolves that:**

The leader of the Council/ Chief Executive write to the Chairman of the Pennon Group and request that SWW complete the FORE Transparency Template for each piece of their infrastructure in the Exe and her catchment.

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<sup>i</sup> <https://www.gov.uk/government/news/reed-government-to-cut-sewage-pollution-in-half-by-2030>

<sup>ii</sup> [Harbour+Board+Visioning+Event+Review+-+EHB+11+Mar+2024.pdf](#)

<sup>iii</sup> [Council Vote Unanimously To Support Friends Of The Dart Transparency Template — Friends of the Dart](#)

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# Friends of the River Exe – South West Water Transparency Template

The following is a proposed template for the data that South West Water (SWW) will be requested to disclose to provide transparency on investment into sewage infrastructure. This should be delivered via a publicly available formal notification letter signed by an officer of the company.

Attribute	Description
Site name	The name used to describe the site in publications and submissions to the Environment Agency. Eg. Well Street CSO Exeter
Permit reference	The Environment Agency permit for the site. Eg. '201371'
Asset type	We seek clarity on the full list of asset types and a clear explanation of each type. Eg. 'Storm overflow'
Presence and type of screens at overflow point	Eg: fixed, mechanical, screen hole size, raked, capacity, etc.
Waterbody name	The body of water on which the site is situated. Eg. 'Exe (Creedy to Estuary)
Waterbody identifier	A unique identifier code for the body of water. Eg. 'GB108045009040'
Address	Full address of the site including postal code

Continued..



Friends of the River Exe - FORE [www.friendsoftheriverexe.org](http://www.friendsoftheriverexe.org)

# Friends of the River Exe – South West Water Transparency Template

Continued 2/3

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Attribute	Description
Coordinates	Longitude and latitude of the site/ grid ref
Treatment method	The type of treatment applied at the site. Eg. 'Ultraviolet'
Maximum designed flow rate	The maximum flow rate that the site is designed to accommodate before an overflow is required. Eg. X m <sup>3</sup> /second
Total storage capacity	The maximum storage capacity available at the site. Eg. X m <sup>3</sup>
Which works are planned?	Explain what kind of work is planned to carry out
What budget is allocated?	—
When will the proposed works start?	-
When will the proposed works be completed?	-
Were alternative works considered?	Brief description of what these were and rationale for choice made
Name, title and contact details of the employee responsible for the delivery of the overall works	-
Cost of works	Reporting of the cost of works once completed

Continued..



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## Friends of the River Exe – South West Water Transparency Template

Continued 3/3

Attribute	Description
Water quality benefit	We would like to better understand the reasons for this work and the anticipated environmental benefits. Could you share any available information on how the project is expected to support improvements to the local environment and water quality, whether qualitatively or quantitatively?
Community benefit	How will local communities benefit from these planned works beyond environmental and water quality improvements - Eg enable water to reach bathing water standards/ commercial fish extraction standards/ improve access for recreation
Water quality benefit	We would like to better understand the reasons for this work and the anticipated environmental benefits. Could you share any available information on how the project is expected to support improvements to the local environment and water quality, whether qualitatively or quantitatively?

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## SEATING IN THE GUILDHALL

		Deputy Lord Mayor Councillor Rolstone (L)	Chief Executive	Lord Mayor Councillor Jobson (C)	Democratic Services	Service Lead Legal Services	S151 Officer
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Democratic Services Officer				Strategic Directors	Strategic Directors	Strategic Directors
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<u>Councillors</u>	<u>Councillors</u>	<u>Councillors</u>		<u>Councillors</u>	<u>Councillors</u>
Darling (L)	Miller-Boam (L)	Bialyk (L)		Moore, (G)*	Holland (C)
Atkinson (L)	Snow (L)	Wright (L)		Mitchell, M (LD)*	Sheridan (C)
Begley (L)	Hussain (L)	Wood (L)		Fullam (LD)*	Palmer (LD) *
Harding (L)	Parkhouse (L)	Williams, R (L)	TABLE	Read (G)*	Banyard (G) *
Cookson (L)	Pole (L)	Vizard (L)		Rees (G)*	Wetenhall (G) *
	Knott (L)	Foale (L)		Ketchin (G)*	Bennett (G)*

Cllr Williams M (L)	Cllr Wardle (L)	Cllr Asvachin (L)	Cllr Patrick (L)		Cllr Payne (R)	Cllr Mitchell, K (LD) *	Cllr Haigh (I)**	Cllr Hughes (I) **
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L:	Labour:	22	<b><u>Portfolio Holders</u></b>	<b>Portfolio Holder for</b>
G:	Green:	7*	Bialyk:	Leader
			Wright	Deputy Leader and Corporate Services, Community & City Centre
LD:	Liberal Democrat	4 *	Vizard	Climate, Ecological Change and Communities
C:	Conservative:	3	Williams, R	City Management
I:	Independent	2 **	Asvachin	Housing, Homelessness Prevention and Customer Services
R:	Reform	1	Wood	Leisure Services & Healthy Living
			Foale	Arts, Culture & Tourism
*	Known as the Progressive Group		Patrick	City Development
**	Known as the Equity Independent Group		<b><u>Member Champions</u></b>	<b>Member Champion for</b>
			Miller-Boam	Community Safety & Engagement
			Darling	Culture & City Centre