CITY OF EXETER

A meeting of **EXETER CITY COUNCIL** will be held at the **GUILDHALL, HIGH STREET, EXETER** on **TUESDAY 9 DECEMBER 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 the Democratic Services Manager - democratic.services@exeter.gov.uk

The following business is proposed to be transacted:

Agenda

1 **Minutes**

To approve and sign the minutes of the ordinary and extraordinary meetings held on 14 October 2025. (Pages 5 - 16)

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** (Verbal Report)

5 **Public Questions**

To receive questions 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:

6	**Customer Focus Scrutiny Committee - 25 September 2025**	(Pages 17 - 26)
7	**Strategic Scrutiny Committee - 3 November 2025 (Special)**	(Pages 27 - 32)
8	**Planning Committee - 10 November 2025**	(Pages 33 - 46)
9	**Executive Committee - 4 November 2025**	(Pages 47 - 54)
10	**Executive Committee - 26 November 2025 (Special)**	(Pages 55 - 62)

REPORTS TO FULL COUNCIL

11	**Investment Approval for new Solar PV Sites**	
	To consider the report of the Strategic Director for Place.	(Pages 63 - 72)
12	**Overview of the General Fund Budget Q2**	
	To consider the report of the Strategic Director for Corporate Resources.	(Pages 73 - 98)
13	**General Fund Capital Monitoring Q2**	
	To consider the report of the Strategic Director for Corporate Resources.	(Pages 99 - 114)
14	**HRA Budget Monitoring Report – Q2**	
	To consider the report of the Strategic Director for Corporate Resources.	(Pages 115 - 130)
15	**Treasury Management Strategy Report 2026/27**	
	To consider the report of the Strategic Director for Corporate Resources.	(Pages 131 - 146)
16	**Update of Exeter City Council's Companies, Alternative Delivery Models and Charities.**	
	To consider the report of the Strategic Director for Corporate Resources.	(Pages 147 - 244)

NOTICES OF MOTION

17 **Notice of Motion by Councillor Wood under Standing Order No. 6**

Motion: RESIDENTIAL MANAGEMENT COMPANIES (Pages 245 - 246)

Proposer: Cllr Duncan Wood
Seconder: Cllr Mollie Miller-Boam

QUESTIONS FROM MEMBERS

18 **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: 1 December 2025

Bindu Arjoon
Chief Executive

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COUNCIL

Tuesday 14 October 2025

Present:-

The Right Worshipful the Lord Mayor Councillor Anne Jobson (Lord Mayor)
Councillor Gemma Rolstone (Deputy Lord Mayor)
Councillors Atkinson, Banyard, Begley, Bennett, Bialyk, Cookson, Darling, Foale, Fullam, Haigh, Harding, Holland, Hussain, Ketchin, Miller-Boam, Mitchell, K, Mitchell, M, Moore, Palmer, Parkhouse, Patrick, Payne, Pole, Read, Rees, Sheridan, Snow, Vizard, Wardle, Wetenhall, Williams, M, Williams, R, Wood and Wright

Also Present

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

85 **MINUTES**

The minutes of the Ordinary meeting of the Council held on the 2 September 2025 were moved by the Lord Mayor, taken as read, approved, and signed as correct.

The minutes of the Extraordinary meeting of the Council held on 18 September 2025, were moved by the Lord Mayor, taken as read, approved, and signed as correct.

86 **DECLARATIONS OF INTEREST**

No declarations of interest were made by Members.

87 **Local Government Act 1972 - Exclusion of Press and Public**

88 **HONORARY RECORDER**

RESOLVED that His Honour Judge James Patrick be formally installed as Recorder of the City.

His Honour Judge Patrick welcomed his appointment and returned thanks.

89 **OFFICIAL COMMUNICATIONS**

The Lord Mayor advised Members of the following communications:

- she commended Andrew Finch, a Senior Engineer at Exeter City Council, who had been awarded the Recognising Excellence in Volunteering I the South West 2024-25 Award for his work as a STEM ambassador;
- @Thirty-Four had been named the AA College Restaurant of the Year for the second time;
- Exeter had achieved the Gold Award at the South West in Bloom Awards, and she congratulated the staff that had been involved;
- Guildhall Shopping Centre had won the Best Multi-Party Collaboration Award at the IWFM Impact Awards 2025; and
- she congratulated Mace Sergeant Grant Leitch who had been awarded the Superintendent's Certificate for leadership, and thanked him for his outstanding service during him 30 years as a police officer.

The Lord Mayor informed Members of the passing of Bernard Frowd OBE, who had served Exeter City Council for many years as City Treasurer and as Chief

Executive. The Lord Mayor paid tribute to his long and dedicated service to the city and conveyed sympathy to his family.

90 **PUBLIC QUESTIONS**

The Lord Mayor advised that no questions from members of the public had been received.

91 **AUDIT AND GOVERNANCE COMMITTEE - 4 SEPTEMBER 2025**

The minutes of the Audit and Governance Committee of 4 September 2025 were presented by the Chair, Councillor Wardle, and taken as read.

In respect of **Minute No. 82 Amendments to the Council Financial Regulations,** Councillor Wardle moved, and Councillor Atkinson seconded the recommendations. During debate Councillor Moore asked for clarity regarding community understanding of what assets were being lost by the council. Councillor Moore asked the Leader what actions he would take to make assets more readily available to the community and how organisations could better engage with the council.

The Leader responded to Councillor Moore making the following points:

- he believed officers engaged with communities when it came to community asset transfers;
- there would not be barriers to engagement but the responsibilities had to be met; and
- he would discuss with the Chief Executive, and if it was needed, provide clarity.

Following a vote the recommendations were CARRIED.

RESOLVED:
(i) that the revised Financial Regulations at Appendix 1 and 2 are approved;
(ii) that the thresholds for approving budget virements within each Strategic Directors service areas are increased;
(iii) that the thresholds for approving supplementary budgets are increased;
(iv) that the thresholds for approving debtor write-offs are increased;
(v) that the thresholds for approving disposal of assets are increased;
(vi) that other minor changes to the regulations are approved.

In respect of **Minute No.83 Net Zero Risk Register Report**, Councillor Wardle moved, and Councillor Atkinson seconded the recommendation.

During debate Councillor Wetenhall asked for clarification on the word “enabler” in the context of the district heat network, and asked questions regarding how much officer time was being spent on this project, and what was not being done as a result.
The Leader advised that the Democratic Services Team would provide Councillor Wetenhall with clarification regarding the minutes of the meeting.
Councillor Patrick, as Portfolio Holder for City Development, responded to Councillor Wetenhall advising that officers did not keep timesheets so it would not be possible to provide an exact figure for officer time spent.

Following a vote, the recommendations were CARRIED.

RESOLVED that the updated Net Zero Risk Register is approved; and it is acknowledged that the Council’s Costed Organisational Carbon Footprint Projections to 2030 study will be reported to Scrutiny on 11 September, after which a further report will be considered by Executive. The report will address further work beyond the measures which have already been fully costed and committed and a revised Carbon Reduction Plan.

RESOLVED that the minutes of the Audit and Governance Committee held on 4 September be received.

92 **PLANNING COMMITTEE - 8 SEPTEMBER 2025**

The minutes of the Planning Committee of 8 September 2025 were presented by the Deputy Chair, Councillor Rolstone, and taken as read.
RESOLVED that the minutes of the Planning Committee held on 8 September be received.

93 **STRATEGIC SCRUTINY COMMITTEE - 11 SEPTEMBER 2025**

The minutes of the Strategic Scrutiny Committee of 11 September 2025 were presented by the Chair, Councillor Pole, and taken as read.

During discussion Members asked the following questions:

- how long had it taken for 20% of properties to have been retrofit;
- what was the timeline for installing secure bike storage for council homes;
- how long would the retrofitting continue, as it would take 16 years to achieve 100% at this pace;
- was it clear or an aspiration that all new council houses would be build to Passivhaus or A+++ standard; and
- was the priority level of installing bike storage being increased.

Councillor Vizard, Portfolio Holder for Climate, Ecological Change, and Communities responded to Members' questions in the following terms:

- the retrofitting had been ongoing since 2021 and was critical work;
- secure storage for bikes was part of a sequential workflow and currently awaiting the ECC Green Travel Plan, which had been delayed due to Local Government Reorganisation;
- the trajectory of the retrofitting, and the new council house standards would be responded to outside of the meeting as it was funding dependent and say outside his portfolio; and
- cycle parking was a priority for the Transport Working Group and it maybe possible that a question could be included in the Residents' survey in future.

RESOLVED that the minutes of the Strategic Scrutiny Committee held on 11 September 2025 be received.

94 **HARBOUR BOARD- 29 SEPTEMBER 2025**

The minutes of the Harbour Board held on 29 September 2025 were presented by the Chair, Councillor Williams, and taken as read.

During discussion Members asked the following questions:

- could an update be provided on when discussions with residents would begin regarding the Trews Weir project; and
- would the presentation received at the meeting of the Harbour Board be taken any further.

Councillor Williams, responded to Members' questions in the following terms:

- there would be a full public consultation beginning towards the end of the year; and
- the presentation given had increased the knowledge of Harbour Board Members, and she would be interested to know how this work would progress.

RESOLVED that the minutes of the Harbour Board held on 29 September 2025 be received.

95 **EXECUTIVE COMMITTEE - 23 SEPTEMBER 2025**

The minutes of the Executive Committee of 23 September 2025 were presented by the Leader, Councillor Bialyk, and taken as read.

In respect of **Minute No.69 Annual Scrutiny Report 2024-25**, the Leader moved and Councillor Wright seconded the recommendation and following a unanimous vote, the recommendation was CARRIED.

Councillor Rees spoke as Chair of Customer Focus Scrutiny Committee to thank the Democratic Services Manager for the work that she had carried out on the Annual Scrutiny Report.

In respect of **Minute No.70 Air Quality Annual Status Report and Revision of the Air Quality Management Area (AQMA)** the Leader advised Members that this had been deferred.

In respect of **Minute No.71 Food Law and Health and Safety Enforcement Service Plan 2025-26**, the Leader moved and Councillor Wright seconded the recommendations, and following a unanimous vote was CARRIED.

In respect of **Minute No.72 Housing Damp & Condensation Policy 2025-2030,** the Leader moved and Councillor Wright seconded.
Councillor Parkhouse praised the introduction of this policy and believed it would show tenants that Exeter City Council were looking after them. The Leader responded to Councillor Parkhouse highlighting the positive impact the retrofitting had had. Following a unanimous vote the recommendations were CARRIED.

In respect of **Minute No.73 Housing Recharges Policy 2025-2030,** the Leader moved, and Councillor Wright seconded the recommendation, and following a unanimous vote was CARRIED.

In respect of **Minute No.74 Home Adaptations for Council Housing Policy 2025-2030**, the Leader moved, and Councillor Wright seconded the recommendation, and following a unanimous vote was CARRIED.

In respect of **Minute No.75 Housing Compensation Policy 2025-2030**, the Leader moved, and Councillor Wright seconded the recommendation, and following a unanimous vote was CARRIED.

In respect of **Minute No.76 Exeter City Council Housing Services Hate Crime Policy**, the Leader advised that this was a resolved matter. Councillor Moore asked the Leader when they could expect to see a revised policy and if the EQIA would be completed in consultation with those it would affect the most. Councillor Wright asked the Leader why this policy had been deferred.

The Leader advised Councillor Moore that the policy would be brought back to the Executive Committee as soon as it was ready, and that he agreed with Councillor Wright on the importance of this policy and it had been deferred as it was important to review the impact assessment.

In respect of **Minute No.77 Housing Allocations Policy 2025-2030**, the Leader moved, and Councillor Wright seconded the recommendation.

During debate, Councillor Moore felt that some groups with protected characteristics had not been considered and felt that it would be beneficial to consider what could be changed and why it was not possible to meet the need of some protected groups.
Councillor Wood advised Councillor Moore that the protected groups she had mentioned were covered in the EQIA and that there was no objective process to EQIAs.

The Leader advised Councillor Moore that a lot of work had been carried out by officers and he hoped the council would approve this recommendation.
Following a unanimous vote, the recommendation was CARRIED.

In respect of **Minute No.78 Housing Complaints Policy 2025-2030**, the Leader moved, and Councillor Wright seconded the recommendation.
Councillor Vizard welcomed this policy and felt it was useful to have clarification on the complaints process as it could be tricky to navigate.

Following a unanimous vote, the recommendation was CARRIED.

96 **COUNCILLOR APPOINTMENT TO EXETER CHURCH CHARITIES (OUTSIDE BODY) AND AMENDMENT TO THE SCHEME OF DELEGATION**

The Leader moved, and Councillor Wright seconded the recommendations.

The Monitoring Officer presented the report, making the following points:

- appointment to outside bodies typically took place at the Annual General Meeting of the Council but there were occasional in-year appointments; and
- it was recommended that in-year appointments be delegated to the Head of Service - Legal & Democratic Services and the Democratic Services Manager in consultation with Group Leaders during the course of the Municipal Year and that the constitution be amended accordingly.

Councillor Rees asked for clarity on whether Exeter Health & Wellbeing Board was in place, and the Monitoring Officer advised that this would be looked into following the meeting.

Following a unanimous vote, the recommendations were CARRIED.

97 **IMPLEMENTATION OF CONSTITUTIONAL CHANGES AND APPOINTMENT OF COMMITTEES**

The Leader moved the recommendations, seconded by Councillor Wright.

The Monitoring Officer presented the report, making the following points:

- Members would be aware of the background to this report, including the reduction of committee sizes and the introduction of substitutes;
- Group Leaders had provided the names of those sitting on committees and those who would become substitutes; and
- appropriate training would be required to be undertaken before any substitutes were able to sit on a committee.

Councillor M Mitchell asked for clarification that the onus would be on Members to contact their substitute, and that this would not sit with Democratic Services. The Monitoring Officer advised that this was correct and would be communicated to Members.

During debate Councillor Wright thanked the officers for the work that had gone into the constitutional changes, the cross-party group that had given input, and the Group Leaders she had spoken with. She felt that in order to maintain smaller

committee sizes and personal commitments it was important to add substitutes. Councillor Wright felt that this would be used as a tool to aide democracy.

In summing up, the Leader advised that a number of other authorities had substitutes and that it would be a learning process.

Following a vote, the recommendations were CARRIED.

98 **NOTICE OF MOTION BY COUNCILLOR WETENHALL UNDER STANDING ORDER NO. 6**

Councillor Wetenhall moved, and Councillor Moore seconded a Notice of Motion under Standing Order No.6 in the following terms:

"This Council resolves that:

- full and transparent information about air pollution levels on specific roads and health impacts of living on or regularly using those roads whether as a pedestrian, cyclist or motorist.
- information on alternative walking and cycling routes or travel modes for known regular commuter and school run routes, avoiding the most polluted roads.
- Fuller information on the health impacts of air pollution from all sources, both inside the home (for wood burners, open fires, mould and damp) and outside and actions to take to reduce these impacts."

In presenting the motion, Councillor Wetenhall made the following points:

- there was currently misleading information and information that was difficult for lay people to understand;
- 92% of nitrogen dioxide monitoring sites did not meet WHO guidelines;
- there was a simple solution, and it would not be very expensive; and
- she had attended the Exeter Futures Walk put on by the University and it was clear that there needed to be a simpler way to communicate scientific information in way that could be understood by everyone.

The Lord Mayor advised that an amendment had been proposed and invited Councillor R Williams to speak. Councillor R Williams moved, seconded by the Leader, Councillor Bialyk, an amendment that under Standing Order 7 (4) that his motion be referred to the Strategic Scrutiny Committee.
In proposing her amendment, Councillor R Williams informed Members that the Air Quality Report was going to the Strategic Scrutiny Committee as an item at the November meeting.

During debate on the amendment, Members made the following points:

Councillor Palmer:

- this amendment essentially squashed the motion; and
- vulnerable people could not wait for this to be deferred.

Councillor Read:

- she appreciated that scrutiny was able to look at things in depth;
- reports were often only noted at scrutiny;
- it would be helpful for Council to make a decision now, that would support scrutiny regarding air quality;
- the original motion enabled communication with residents and provided solutions residents on how they can solve their problem; and
- if this amendment was approved it would be a vote to not provide transparency.

Councillor Ketchin:

- the Strategic Scrutiny Committee would be assessing the reporting of air pollution in the city;
- the original motion was about simple measure to update information for the public; and
- this brought forward wood burners which had not previously been addressed.

Councillor Atkinson:

- Devon County Council were responsible for devising and putting into place an Air Quality Plan, the role of Exeter City Council was to put up monitoring equipment and collect data;
- Exeter City Council was creating plans to deal with mould and damp and that would be an issue for Customer Focus Scrutiny; and
- this motion should go to Scrutiny for an informed debate on these issues as they had a valuable role and informed policies.

Councillor Wetenhall:

- this was not about tackling air pollution, but about providing more information;
- the rest of the city would not be covered by the Air Quality Action Plan; and
- this motion was simple and quick, referring the matter to scrutiny was a poor use of scarce officer time.

Councillor Wood:

- this was an incredibly important subject that everyone was passionate about;
- this required partnership input, and experts were needed on communication and air quality as this was a complicated process;
- he supported the amendment as it would send this issue to the correct platform;
- he recognised the importance but also the complexity; and
- scrutiny had capacity to bring in external people to explore.

Councillor Rees:

- many cities across the UK were dealing with improving air quality;
- it was important that these issues were identified as cross-party and that the intention was to communicate with residents;
- it would be better to work together, even if views were different about how; and
- work must be done in partnership with Devon County Council.

Councillor K Mitchell asked for clarification from the mover of the amendment to this motion that it would be separate from the Air Quality Action Plan on the agenda at the Strategic Scrutiny Committee, as is stated in the Standing Orders. Councillor Mitchell also asked for clarification on what the considerations were for this being referred to the Strategic Scrutiny Committee.
Councillor R Williams advised that the Air Quality Action Plan was not coming to Strategic Scrutiny, but the Air Quality Status Report 2025, and alongside that would be a timetable for the Air Quality Management Area and information about Air Quality Action Plan timetable.

Councillor Moore:

- this was about science communication;
- this motion could have been dealt with now;
- Exeter City Council had an educational role with Denis the Dustcart;
- the Director of Public Health had been clear about the damage to health; and
- the best time to start communicating with residents was now.

Councillor M Mitchell raised a Point of Order on the amendment and asked for clarification from the Monitoring Officer on whether the matter would be referred from Scrutiny to the Executive Committee and then back to Council. The Lord Mayor advised that this would be the case.

Councillor Wright:

- this information could be difficult to understand unless you were a scientist;
- she would like to provide information that was easy for people to understand;
- the information provided would need to be looked into to ensure that it was full and transparent information; and
- this should go to public scrutiny to ensure it was the relevant information.

Councillor Pole:

- wanted to reassure Members, as Chair of Strategic Scrutiny, that this would be undertaken in a cross-party manner;
- the Air Quality Monitoring Report and Monitoring Area were prerequisites for the Air Quality Action Plan;
- she would look at all these items and meet with the Portfolio Holder to support this work which would be done in collaboration with stakeholders; and
- this motion appeared to be pre-empting a bigger piece of work.

Councillor Bialyk, Leader as seconder:

- the amendment was clear, and the motion would be on the agenda, the mover of the original motion would be entitled to speak and it would be debated;
- there were a number of councillors with severe respiratory diseases, and they were invested in improving air quality; and
- Exeter City Council was responsible for monitoring air quality.

In summing up, the mover of the amendment, Councillor R Williams made the following points:

- all were passionate about air quality;
- the Air Quality Status Report was 130 pages long and it was essential that it was read and considered alongside this motion;
- accurate and targeted communication was essential; and
- to ensure the best for the people of Exeter, she asked Members to trust that this could go to Strategic Scrutiny and be examined.

Following a vote, the amendment was CARRIED and became the substantive motion.

Councillor Wetenhall proposed an amendment which was ruled out of order by the Lord Mayor.

Following a vote, the substantive motion was CARRIED.

99 **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 Read to the Leader:

"**The swimmable cities movement is gaining more traction with every passing month, with more cities and councils signing up to its charter which aims to enable rivers flowing through cities to be swimmable by residents and visitors. But the south-west of England is notably absent; the nearest signatory to Exeter is in Stroud. Does the portfolio holder agree that it would be useful to discuss this concept for Exeter, and that this could be a useful matter for a future meeting of the Harbor board to discuss?"**

Councillor R Williams, Portfolio Holder for City Management to respond to this question stating that she was open to consider this topic at the Harbour Board Visioning Day, and that she was open to having this as an item on a future Harbour Board agenda, subject to available time.

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

"The Cathedral and Quay Car Park closes at 8pm because of anti-social behaviour. However, feedback from traders at the quay say the early closing time is harming their businesses. One venue told us, "We have received repeated feedback from customers that the lack of accessible evening parking has deterred them from attending. The change has therefore had a measurable negative impact on our trade and on Exeter's night-time cultural offering in general." What steps could be taken to begin a trial for some late opening at the car park, until 10:30pm on Friday and Saturday nights, to help out these businesses?"

The Leader responded to Councillor Banyard, stating that:
"Since the new opening times have been introduced, the incidents of severe vandalism have reduced from 18, in the preceding period to four.
However, we recognise the challenges of the reduced opening times and Officers are currently exploring a range of proposals to improve the offer at Cathedral & Quay amongst other Car Parks in the City.
If Members chose to proceed a full business case will be developed and put before Council."

In a supplementary question, Councillor Banyard stated that it was great to hear about the reduction of ASB, and asked the Leader what he would say to traders who felt their businesses were being harmed by the reduced opening hours?
The Leader responded that they were exploring a range of proposals and it was important to get this correct.

(The meeting commenced at 6.00 pm and closed at 8.08 pm)

Chair

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EXTRAORDINARY MEETING OF THE COUNCIL

Tuesday 14 October 2025

Present:

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

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

Also Present:

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

12 HONORARY ALDERMAN

The Lord Mayor introduced the item stating this Extraordinary Meeting of Council had been convened in accordance with Section 249 of the Local Government Act 1972 for the purpose of transacting the following business to pass the following resolution of conferring the title of Honorary Alderman on Mr Graham John “Percy” Prowse.

The Lord Mayor stated that a recommendation was before Council that in pursuance of its powers under Section 249 (1) of the Local Government act 1972, the Council do confer on the following the title of Honorary Alderman, to Mr Graham John “Percy” Prowse, in recognition of his eminent service to Exeter City Council during the period that he was a Member of the Council.

Councillor Holland moved the recommendation, seconded by the Leader of the Council, Councillor Bialyk who reserved his right to speak.

In proposing the recommendation Councillor Holland made the following points:

- that he had known Mr Prowse for 30 years and highlighted his personal qualities which supported those in the community;
- he gave his time freely and some activities he had been involved in were:
    - volunteering and working with Sylvania Community Project;
    - he used his locality budget to fund solar panels on Stoke Hill Junior School;
    - he was an advocate of wildflowers and added a splash of colour to the city;
    - he was Chairman of the Exeter Tidy Group taking part in litter-picks across the city and securing sponsorship;
    - he promoted cycling in the city, refurbishing cycles left by students at the university and sold them at a modest price;
    - he volunteered with the Devon and Dorsets charity and made this the Lord Mayor’s charity during is tenure;
    - he worked with St Petrock’s half day a week in the kitchen;
    - was treasurer of the Retired Police Officer’s Society, he visited those who had suffered bereavements and was a member of the Police and Community Choir, singing at fundraising events; and

- as Lord Mayor he raised in excess of £42,000 for Elf.

Councillor Holland urged Members' to support Mr Prowse to become an Alderman.

The Leader, Councillor Bialyk as seconder spoke in support of the motion making the following points:

- that he was lucky to have known Mr Prowse for even longer than Councillor Holland;
- it was good to listen to all the time Mr Prowse had given to the community as often time was spent in committees and council meetings and councillors didn't hear about the efforts of each other;
- many had spoken highly of Mr Prowse to him, including those he had come to know at Devon County Council; and
- he would be a fantastic advocate for the city; and
- thanked him for all that he had done.

Councillor Michael Mitchell spoke in support of the motion making the following points:

- he had a lot to thank Mr Prowse for as he had stood for election in 2019 against Mr Prowse which brought him to the chamber at the Guildhall;
- he wanted to thank Mr Prowse on behalf of the residents of his ward as they knew him and knew he was concerned and wanted to resolve their issues; and
- and he always looked forward to meeting Mr Prowse as he could give the background and advice based on years of experience.

Councillor Kevin Mitchell spoke in support of the motion making the following points:

- he thanked Mr Prowse who was a friend despite being of differing political persuasion;
- there were many laughs as well as seriousness in dealing with issues;
- Mr Prowse was supportive in his roles as councillor, deputy Lord Mayor and Lord Mayor;
- he was an outstanding advocate for the Lord Mayoralty and the city; and
- he was as wonderful outside politics as he was in the chamber.

Councillor Foale spoke in support of the motion stating that Mr Prowse was a man of integrity who voted with his mind and not always along party lines and this would be well-deserved recognition.

Following a unanimous vote the motion was CARRIED.

(The meeting commenced at 8.15 pm and closed at 8.30 pm)

Chair

CUSTOMER FOCUS SCRUTINY COMMITTEE

25 September 2025

Present:
Councillor Catherine Rees (Chair)
Councillors Cookson, Begley, Fullam, Holland, Hussain, Moore, Parkhouse, Payne, Pole, Read and Wardle

Apologies:
Councillors Darling and Snow

Also present:
Strategic Director for Place, Strategic Director for People and Communities and Democratic Services Officer (LS)

In attendance as Portfolio Holder:
Councillors Asvachin, Vizard, Williams,R. and Wright

75 Minutes

The minutes of the meeting of the Customer Focus Scrutiny Committee held on 3 July 2025 were taken as read, approved as correct subject to the addition of missing apostrophes, Councillor Pole's name to a comment made and clarification that the roll out of food waste collections would be complete in 2026 in place of 2026/27.

76 Declarations of Interest

No declarations of interest made be Members.

77 Anti-Social Behaviour in the City Centre

The Chair welcomed students from St James' School, who gave a presentation making the following points:

- they felt unsafe and tried to avoid Sidwell St were possible due to alcohol, drug use, and violence;
- they did not feel that there were any shops on Sidwell St that they would use;
- the issues could be delt with by tackling anti-social behaviour, investing in the area, creating events, and working with the individuals living and working near Sidwell St;
- they felt that the city was not designed for young people and there was little for them to do;
- a lack of food options and affordable activities were also an issue; and
- they thanked the committee for listening to their presentation and hope they had been able to read the notes that were provided.

During discussion Members made the following points:

- they thanked the students for their thoughtful presentation and report;
- the city was not designed for young people and wanted to know what they would like on Sidwell St;
- the empty shop spaces could provide spaces for teen hubs, designed and run by young people; and
- parents would not allow a young person onto Sidwell St;

The Chair thanked the students for their presentation, and asked the students if they would be happy for her to visit the school to follow up by sharing the outcomes of this meeting.

The Chair invited Councillor Michael Mitchell to set out his proposal for the item under Standing Order No.45. In doing so he made the following points:

- there had been a lengthy debate on this item previously; and
- he wanted to reassure concerned citizens of the city that this evening's scrutiny was a starting point and not an end point.

The Chair invited InExeter and Inspector Devon and Cornwall Police as representatives of the Community Safety Partnership (CSP) ASB sub-group to give a presentation.

During their presentation they made the following points:

- the students' views were consistent with what was heard from businesses in the city centre;
- there were significant concerns from local businesses about the rising rate of ASB and that this was going unchecked;
- they wanted Exeter to maintain its reputation of being a safe city;
- they felt that students were far more at risk at home online that they were on Sidwell Street;
- a key activity was hotspot policing which had been in place since May 2024 and would continue until at least May 2026;
- the City Council's Community Safety team carried out daily visible patrols and they had been working with the police regarding ASB and shop theft;
- the St. Sidwell Centre's garden was becoming a hotspot for ASB;
- they were working with Exeter City Council and the police to address encampments;
- the city Council's CCTV control room was monitored 24/7 and staff were taking a pro-active approach in identifying perpetrators of crime;
- Exeter City Council had introduced the Need Help signs, which gave people direct contact to the control centre;
- there had been a campaign to help de-stigmatise people causing ASB led by the Inspector, which helped people understand that they were a community of marginalised and vulnerable individuals;
- there had been fewer issues in the Sidwell Centre's garden following interventions over the summer;
- there had been an ASB spike in August due to decreased ability to fill hotspot patrols;
- there were enhanced patrols and focus in nine key areas;
- the Community Safety Team were SIA accredited, first aid trained and were able to signpost vulnerable individuals to relevant support agencies;
- there was a perception of not feeling safe in the city centre, which existed partly due to media coverage;
- they had met with key partners in the city to discuss those with the highest demand;
- work needed to be done to ensure there were no barriers to access;
- 30 streetlights had been reported as not working during the University's Welcome Week, the repair of these would be a quick-win and would help people feel safer at night; and
- an update on progress and activity would be given to the Committee in 12 months.

In response to Members' questions, the following answers were provided:

- the slide with dispersals within the PSPO area detailed the reasons for dispersal and whilst most could be classed as ASB some were also criminal therefore described separately;
- they were grateful for councillor involvement in local meetings;
- it was clear that better communication was needed about the range of activities being undertaken to tackle ASB;
- people were not always confident on whether to report ASB if they felt it was low level;
- it had been proven that when dispersed ASB did not move on to other areas, and ASB in the city centre would not be considered ASB in other areas;
- The Police officer present carried out 1 hour of foot patrol a day and there was evidence that 20 minutes of police visibility deterred ASB but any longer did not have further impact;
- there was a backlog in courts and there was finite funding for overtime but it was centrally government funded; and
- needle bins did not encourage drug use.

The Chair stated that Questions from the Public would now be heard before the remainder of the evidence on Anti-Social Behaviour in the City Centre.

78 **Questions from the Public under Standing Order No. 19**

There was one question from the public. The Chair invited Mrs Storrie to read her question:

“Residents in St. David's frequently experience unacceptable levels of anti-social behaviour related to unauthorised camping, particularly around Bartholomew and Friernhay cemeteries. This includes littering, abandoned tents, suspected drug-taking, vomiting and defecation. What measures are being taken by the Council to support rough sleepers and residents and to prevent anti-social behaviour?”

The Portfolio Holder for Housing, Homelessness Prevention and Customer Services, Councillor Asvachin responded:

“The Council contracts a range of services for external organisations to support rough sleepers with the aim of enabling people who are street attached to find and settle in accommodation. This is funded through government grants and is on top of the statutory homeless prevention and support services the council funds and provides directly. The external contracts include an Outreach Service whose role is to get to know each rough sleeper, ascertain if they have a place to sleep indoors, (many do, but for a variety of complex reasons stay attached to street sleeping) and if not, they get alongside to steer people into pathways for accommodation. For people that do have a place to sleep indoors, the Outreach Service will work with them to resolve the barriers to indoor sleeping: which can be complex and take time to resolve. Where the Outreach Service identify rough sleepers who are genuinely homeless but have no right to statutory services in Exeter, every effort is made to help relieve their homelessness. This means that the Outreach Service will work with individuals to explore all avenues to help them find accommodation (which could mean reconnection to another area), and to help them access wider support that they may need.

In addition to the Outreach Service the council contracts a range of supported and temporary accommodation for those faced with homelessness.

The Council, as part of Safer Exeter Community Safety Partnership, is committed to tackling ASB across the city. During Thursday` evening`s Customer Focus Scrutiny

meeting, Nicola Wheeler, Chair of the ASB sub-group will present a summary of the steps being taken to tackle ASB within the city centre. The Council investigates reports of ASB in other parts of the city and will work with relevant agencies to address concerns.

The Community Safety Team have made several evictions of encampments in the Bartholomew Street and Catacomb areas in recent weeks. Several people have either been dispersed from the area or temporarily allowed to remain whilst the outreach team engages with them for means of support. Both areas are now regularly patrolled as a result."

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

INCLUSIVE EXETER (slides attached) presented their evidence making the following points:

- were an organisation for people of colour, dealing with some complex issues, intertwined with vulnerability and facing racism;
- there had been a rise in racist incidents following the Brexit vote in 2016;
- some politicians had used divisive language rather than supporting;
- migrant workers needed more support from their employers;
- migrant workers were essential for the economy;
- it was important to ensure that staff were trained in inclusivity and that diversity mirrored the community;
- potential solutions included:
  - prioritise anti-racism;
  - investigate and act upon racial inequality;
  - involve people of colour;
  - More support for migrant workers from employers;
  - People of colour in higher ranks of statutory organisations;
  - counteract racism; and
  - foster cross-cultural and meaningful understanding; and
- Inclusive Exeter ran drop-in sessions, which were collaborative events to ensure access to diverse communities.

EXETER CITY COMMUNITY TRUST (slides attached) presented their evidence making the following points:

- Exeter City Football Club (ECFC) had received money from the Police and Crime Commissioner to help tackle youth crime through a mentoring program (Peer Action Collective PAC);
- PAC was a research programme with young people which was coming to an end;
- There had been a team of young people aged 16 to 21 who had engaged with almost 500 young people;
- a national report had been released the previous day;
- there were not enough safe spaces or trusted adults for young people and the Trust were working with partners to look at building youth provision; and
- one of the best provisions they had visited was at the mosque.

ST PETROCK'S presented their evidence making the following points:

- they had been in Exeter for 30 years and wanted to reinforce that their work couldn't be done alone;
- the individuals they supported were scared of ASB and they were often victims;
- it was important to find alternative spaces that were not alcohol related was important;

- it was expensive to run public toilets, was there an alternative that could be in place for both the homeless and the night-time economy;
- a lot of issues that were being discussed were outside of the control of Exeter City Council and came from austerity;
- the supportive housing commissioned by the council was full and there was a waiting list;
- they encouraged good behaviour amongst their clients and aimed to support them to feel part of the city;
- they worked with the police and community safety team where problematic behaviour is seen; and
- those responsible for ASB on Cathedral Green would be excluded from their services for a time and then a behaviour contract would be implemented.

CO-LAB presented their evidence making the following points:

- they reinforced what had already been discussed and confirmed that they were part
- of the ASB sub-group of the Community Safety Partnership;
- an important message was that this issue was about health and public health and it was important to all work together;
- ASB was from unmet needs;
- the key causes were;
  - lack of safe space and activity;
  - boredom and loneliness;
  - housing and eviction rates;
  - substance misuse; and
  - absence of dual-diagnosis services.
- other areas were having success with;
  - day centres;
  - restorative justice;
  - peer support;
  - consistent dispersal;
  - integrated support;
  - multi-agency planning; and
  - shared housing plans.
- there were spikes in ASB on bank holidays;
- there needed to be a reduction in evictions and people needed support to build skills around obtaining and maintaining tenancy; and
- needle bins were successful and did not encourage drug taking.

WAYTHROUGH presented their evidence making the following points:

- they were the commissioned service delivering Together Drug & Alcohol services for adults in DCC footprint;
- there was also Star project in Exeter city centre for those at risk of/or rough sleeping;
- they offered a range of support for alcohol/drug issues such as: psycho-social groups, 1:1, medical or rehab;
- these were some of the most vulnerable and marginalised people in our city;
- focus should remain on the behaviour not the person and address the underlying issues for that person which would support change;
- ASB wasn't only from those with substance misuse issues, housing was an issue in the city with many unable to find suitable housing for their needs and a lack of places to gather that made them feel part of the community;
- access to substances in the city (spice seen a lot in Exeter) was an issue with limited out of hours and crisis support or support for underlying trauma or issues people were masking or trying to deal with;

- community projects to make people feel valued and run by peers or those with lived experience could help and these would need to meet people where they were physically or mentally;
- a multi-agency response was key. In Birmingham there had been a project where shoplifters in the city sat with businesses and were given funding to address underlying issues which saved money in the long run;
- Waythrough had a Community Development Lead who undertook meaningful activities which run on Saturdays when possible.

The Chair drew the evidence-giving to a close highlighting that a joined-up approach was clearly needed and it was good to hear about the good work already happening in the city and asked the committee to focus on what could be done better or what councillors could do to improve the issue for residents.

Representatives from the CSP ASB sub-group, Inclusive Exeter, ECFC Community Trust, Co-lab, St Petrock's and Public Health responded to Members' questions in the following terms:

- a number of businesses had publicly visible toilets on their premises already and mapping those businesses who go over and above for the community was being considered. InExeter looked at the feasibility of funding to begin this project which would be part of the solution but not the only answer;
- Police service unfortunately come when a crime is committed but visibility was important. Building trust could help deflect those thinking about perpetrating a crime. Underreporting of crime by people of colour was an issue. It was understood that funding was an issue for the Police but a daily discussion with business owners may build trust;
- prevention was key and the Community Trust was building diversionary programmes for young people, understanding the passion of each individual. Education could be challenging;
- relationships were part of prevention and building relationships could help de-escalate behaviour and this is what the Community Safety Team and City Centre police team were all about;
- ASB maybe exasperated by those who may not have much empathy due to difficulties of their own. Build empathy by going into schools could be part of the solution;
- the Star team had highlighted how hard it was to get people into treatment but Exeter was lucky to have STAR team funding. There wasn't anywhere to stay for detox from drugs or alcohol in the city;
- sharps bins had been piloted previously by ECC in 2019 and perhaps could be revisited;
- there wasn't enough funding for detox and rehab. Together had already spent their budget with 6 months of the year remaining and had received extra from the commissioner;
- for rough sleepers or those at risk, getting into residential detox was very difficult as there no way to secure housing before they go and they were often deemed too high risk;
- the flag was part of cultural identity and people should be proud of it rather than a representation of division and scapegoating;
- people of colour born in the UK felt unsafe and a personal account of memories of racism was given and the pattern being seen replicated;
- diversity needed to be visibly seen across all hierarchy. There was a Hackney driver representing taxi drivers, who lived in the city and represented the Afghan community. There was an NHS worker present, who lived in the city but didn't feel their voices were heard;
- once in accommodation all other challenges were not resolved and there were more rules to live by and rent to pay;

- many were detached from their community, without strong family support and not having positive peers. People met on the street were their links and essentially their family and they were loyal to each other which wasn't always a good thing. Success occurred when they were able to step away from those social structures but it could take many attempts before it had an impact;
- St Petrock's modelled good behaviour for example give out lunch and a bin liner;
- many had Adverse Childhood Experiences and lacked a trusted adult in their life;
- communicating the message that those on our streets were our most vulnerable as often they appeared scary to those who had better life experiences was key and there was an event being planned for later in the autumn;
- perception of ASB was greater than the reality;
- Councillor's Vizard and Wright were Member representatives on the ASB sub-group;
- there was a local drug information service where people could report substances which had perhaps been contaminated. There had been concerns at the beginning of the year of potential contamination and some batches were tested and no adulterants were found;
- there was not a lot for young people to do but local schools and young people weren't aware that they could go to certain youth centres in the evening or even that they existed. None of the students ECFC Community Trust had spoken to knew about it and adults also weren't aware. The mosque had a great youth club with excellent adults and facilities and a lot had been learnt from them;
- if young people were not out in cold dark evenings they were at home online with additional risks; and
- there was work to be done across sectors which presented difficulties but also opportunities and funding drove partners into silos which it was essential to step outside and work together.

Councillor Fullam proposed, seconded by Councillor Moore a cross-party task and finish group to look at the overview of ASB work as there had been a summit in 2020, CSP work since last year and there had been a turnover of ward councillors. He set out that this was not to replicate the work of the ASB sub-group or to say that anything was being done wrongly but rather to see what else could be investigated.

The Chair invited the Strategic Director for Place to comment on the proposal and he made the following points:

- all the contributions made were welcomed;
- reflecting on what had been heard, there was a task and finish group in the form of the ASB sub-group of the CSP;
- the CSP was a statutory body which was multi-agency and many partners were in the room;
- the CSP was a genuine partnership based on actions which had been formulated in an action plan;
- the CSP had other priorities in addition to ASB, one of which was extremism and hate crime;
- there was evidence still to come from the residents survey and there were questions about ASB in it;
- there was risk of duplication;
- he would need to check whether the Health and Wellbeing Board still met; and

- was there a different way in which elected members could contribute as the energy in the room could be seen.

Councillor Fullam as proposer wanted to see a different, wider view from elected Members' and to try to facilitate other changes. He said there was great passion that something could be achieved and challenges had been laid down by other professionals. He finished by saying that a task and finish group was a tool which the committee had and it could have an overview and apply learning to the context of citizens of Exeter.

The committee took a break at 1956 and reconvened at 2005.

During debate Members' made the following points in support of the proposal:

- local authorities had a power to promote wellbeing in their area and the evidence heard showed a lack of wellbeing;
- there was a strategic gap as there was a health and wellbeing board but nothing for Exeter;
- there were gaps in the Council's policies and strategies and mapping of those would be good and an example was given of objecting to a gambling licence where no policy on community wellbeing meant no challenge to the licence; and
- 38 streetlights not working in the city centre suggested that statutory agencies were not working together as they should be and the CSP was great but not as open and transparent as a task and finish group would be.

During debate Members' made the following points against the proposal:

- ASB was a very important and emotive issue and a lot had been learnt;
- the way forward was the CSP ASB sub group which had officers and two members of the Executive on it as representatives of the city council and Members' could work with them if they felt their voices weren't being heard;
- there maybe duplication which would not be desirable; and
- there was a Wellbeing Exeter Strategy and health and wellbeing were key priorities within the new Corporate Plan.

In response to questions from Members', The Strategic Director for Place informed the committee that he chaired the CSP Executive Group and he was aware of a resolution which had been passed stating that minutes would be published of all CSP meetings, papers, presentations, from the executive, management group and all 5 sub-groups. If requested, regular reports would be brought to Customer Focus Scrutiny Committee but the next step would be for officers to provide a report with evidence and data on ASB as well as responses from the residents survey. He also added that public health was an upper-tier responsibility, but the city council chose to make this a priority.

The Chair stated that she believed that the item didn't come as opposition but as a desire to look at the causes of ASB and situation within the proposer's ward in the city centre. She believed that all wanted the same thing, all residents to feel safe and to thrive and not to undermine the fantastic joined up approach of the CSP but to enhance it and address gaps which arose, including information about silo working forced by funding and she believed that officer time could be saved in the future.

In summing up Councillor Fullam stated that this was not a partisan issue and there was no criticism of the Executive held within his proposal but there was value which could be added to the work underway.

Following a vote the motion was **NOT CARRIED.**

Councillor Moore proposed, seconded by Councillor Read that the concerns of inclusive Exeter be presented to the police and DCC and formally to ECC regarding how we better work with our diverse communities and following a unanimous vote, was **CARRIED.**

80 **Portfolio Holder Update - Councillor Wright (Deputy Leader & Portfolio Holder for Corporate Services, Community Safety and City Centre)**

The Portfolio Holder for Corporate Services, Community Safety, and City Centre, Deputy Leader, Councillor Wright, presented her update making the following points:

- Councillors would not be invited to the ASB sub-group as it would not be appropriate at present. This was chaired by InExeter;
- she would like another all Councillor briefing from the CSP;
- the Exeter Safety Charter would be coming to SMB;
- Exeter was a City of Sanctuary;
- ASB could be reduced by decreasing the number of late off-sales licenses;
- there had been discussion surrounding the installation of bleed kits, following campaigning by Mia Hawker, whose friend was stabbed and died last year in Bristol;
- the Police were using their own approved translators which had caused issues with waiting times for taking witness reports;
- ECFC's idea of a youth panel was excellent and she would be discussing opportunities for the council with them;
- there would be investigation into the cost for providing and emptying portable toilets, as there had been reports of people defecating on the streets during the day; and
- darkness on the High Street needed to be addressed, as well as ensuring trees that obscure CCTV cameras are cut back appropriately.

During discussion, Members made the following comments:

- they appreciated the way Councillor Wright worked in a cross-party manner;
- could licensing be asked to review their policy on sales of alcohol;
- it was difficult for the Licensing Committee to argue or reject an application when there was no response from authorities; and
- some applications were dealt with under delegated powers but Members were able to look through these.

Councillor Moore proposed, and Councillor Read seconded, that the committee recommend to Licensing that their policies be reviewed with regard to out of hours off-sales of alcohol. Following a vote, this was CARRIED.

RESOLVED that the Customer Focus Scrutiny Committee recommends that the Licensing Committee review their policies with regard to out of hours off-sales of alcohol.

81 **Portfolio Holder Update - Councillor Vizard (Portfolio Holder for Climate, Ecological Change & Communities)**

The Portfolio Holder for Climate, Ecological Change, and Communities, Councillor Vizard, presented his update which was taken as read.

The Portfolio Holder responded to Members' questions in the following terms:

- each department was coming up with plans, ideas, and mitigations to work towards net zero and he would respond outside the meeting with regard to what had been done differently as a result of carbon literacy training and the roadmap;
- Inclusive Exeter provided an important contribution and he spoke with them intermittently but would aim to provide a bridge between communities and the council as he had heard this evening that people did not feel seen and heard;
- he asked that Cllr Moore put her question to him via email about disposing of assets as it may fall under the portfolio of the Leader; and
- the oversight of the city grants also sat with the ward Councillors and the community builders. The city grants budget was approximately one third spent, and they received a healthy number of applications each round.

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

In accordance with Standing Order No. 20 no questions were submitted in advance of the meeting.

Councillor Read asked the Portfolio Holder for City Management, whether a response had been received from the Environment Agency regarding the levels of algae in the canal and in a supplementary question whether there was a named contact. Councillor Williams was in attendance and responded that a response had not been received and that the contact was a general one and not a named person.

Councillor Read asked the Deputy Leader, who was in attendance whether the correction in the Scrutiny Annual Report had been made and where the updated version could be found? The Democratic Services Officer responded that this would be followed up.

Councillor Read asked if there had been a response from government with regard to the information on box shifting sent as a result of the recommendation made by this committee to the Executive. It was agreed that a response would be provided outside the meeting.

83 **Scrutiny Work Plan and Proposals Received**

The Chair proposed, to the approval of the Committee, that:

- The item on refuse bins be moved the 19 March 2026;
- The item on Homelessness and the Portfolio Holder for Housing, Homelessness Prevention and Support Services Update be moved to 22 January 2026 to allow enough time for the Budget item in November; and
- Key People Activity Across the Council and Portfolio Holder for Arts, Culture and Tourism be moved from January 2026 to 13 November 2025.

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

The meeting commenced at 5.30 pm and closed at 9.00 pm

Chair

STRATEGIC SCRUTINY COMMITTEE

3 November 2025

Present:
Councillor Liz Pole (Chair)
Councillors Atkinson, Haigh, Harding, Miller-Boam, Moore, Rolstone, Wetenhall, Williams, M and Read (In place of Mitchell, K)

Apologies:
Councillor K Mitchell

Also present:
Chief Executive, Strategic Director for Corporate Resources, Executive Office Manager and Democratic Services Manager

In attendance as Portfolio Holder:
Councillors Asvachin, Bialyk, Vizard, Williams R and Wood

17 **Declarations of Interest**

No declarations of interest were made by Members.

18 **Local Government Reorganisation**

The Chair invited the Chief Executive to present the report on Local Government Reorganisation.

The Chief Executive introduced her presentation stating that final briefings hadn't taken place when the agenda was published and she wanted to incorporate feedback from those this evening.

The Chief Executive gave a presentation (slides attached) making the following points:

- the Interim Stage had no geography included as it was felt that not enough empirical work had yet been carried out;
- cross-party support had been a positive motivating factor for officers;
- Growth was missing from Government's six criteria and officers had identified six Exeter principles (slide 6);
- Officers had worked with comparable cities such as Oxford, Cambridge and Norwich;
- a press release last week showed that the officers had worked with Plymouth and Torbay to see where their proposals could be accommodated within Exeter's;
- officers had moved away from thinking at the interim stage that 3 unitary councils would be favourable, mindful of Torbay at the time as a small, well-performing unitary council, whose wishes had been accommodated to a degree, to a 4 unitary model – Exeter plus 49 parishes, Plymouth plus 13 adjacent parishes, Torbay and adjacent areas (different to Torbay's model) and a Coast and Countryside authority;
- the submission must be based on a solution best for all of Devon;
- Exeter had outgrown its current administrative boundaries;
- the Leader and Chief Executive were liaising with Devon Association of Local Councils as well as Police, Fire Service and other relevant stakeholders;

- Exeter was not currently parished, unlike other areas and the intention would be develop Neighbourhood Area Committees and recommend that the new authority carry out a Community Governance Review;
- Officers would look to replicate the good work undertaken in housing across wider public sector services, including different ways to deliver some of the services not currently provided by the Council such as Adult Social Care, Children's Services and Special Educational Needs and Disabilities (SEND);
- how services would be delivered would be decisions for the new authority;
- salient points from Members' would be reflected as far as possible in the submission and it would be acknowledged where actions would be for the shadow or new authority;
- academic work had focussed in the past on a large one authority bringing efficiencies but more recent research show that leadership, engaging with local demand, understanding local needs was recognised as more important;
- joint areas of work with other districts had been established, resulting in data sharing, a data hub and discussion about engagement work;
- submissions must be based on existing district boundaries to be legally compliant. A modification to the existing district boundaries had then been requested to reflect the proposed expanded boundaries. Legal advice had been taken which confirmed the submission would be compliant;
- from options appraisals it appeared that the Devon County Council proposal was the least worst option but this had not been agreed through the formal decision-making process; and
- Exeter had city status and must ensure that the Lord Mayoralty was protected as well as investigating Charter Status.

The Chief Executive thanked everyone who had engaged with the proposal and also officers who had worked incredibly hard over the last eleven months to put together a submission including Strategic Directors, Executive Officer Manager, Executive Officer and others as well as those officers who had kept services running.

Chair reminded members to focus on the work done by officers and the recommendation.

In response to Councillor Moore's request for clarification the Chair explained that there would be constructive consideration of the recommendation and that officers were happy to consider feedback raised today.

The Chief Executive clarified that wherever possible the team would look to incorporate Members' feedback into the submission and if during discussing issues, thoughts or comments were heard which it was possible to incorporate they would be happy to do so. It was acknowledged that some feedback would need to be considered by the new unitary authority when it is established.

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

- the proposal did not go into the detail of warding; the decision would be taken by MHCLG taking advice from the Boundary Commission;
- the council must put forward a credible proposal for consideration and no detail on each ward;
- 72 was the top end of the numbers considered to deliver a functioning council and this didn't take into account the lack of representation at parish level within Exeter;
- reference for the need to consider the River Exe would be included in the submission;

- there would be a single tier local authority so no notional precept for a parish would be included;
- A precept of a parish or Charter would be funded from Council Tax so impact on unitary would be net nil and it would not be possible to predict what a precept would be;
- Members' should note that there was no referendum limit for parish councils they can set a precept as they see fit.
- aggregation and disaggregation of costs were included;
- officers would attempt to find out how many had replied to the consultation compared to other districts;
- the Council wrote directly to the 49 parish council areas. . Three webinars were held and a small number of parishes requested one-to-one meetings which were held. The Leader was also invited to some. Conversations were all very constructive. Parishes were grateful to have been contacted directly. 25 of the 49 councils had been represented at the webinars as well as the Chief Executive having spoken to at least four;
- unable to give clarification on Neighbourhood Area Committees or fora as regulations from Government were awaited but it was understood that this was a key issue for Members' and information would be shared when known;
- thought had not been given to citizen's assemblies and these would need to be better understood in the first instance;
- there was an expectation that once the submission was with Government and statutory consultation had begun that the Council would want to continue to discuss locally how services may work. However, until Government indicated direction of travel it would be hard to put anything firm together;
- a plan will begin to be built otherwise timing would be tight once a decision had been made by Government;
- NHS, Police and Fire services already delivered across a wider geography but were less open to discussion until Government had indicated their intention.
- once a direction of travel was indicated by Government there would be a significant amount of work to do;
- some parishes delivered services in their areas and others did not and an exercise would be required to determine levels of interest in delivering services. This work would need to be resourced whether by a new officer or through our current Community Engagement Team;
- the four unitary model would not have been put forward were it not financially viable and this had been assessed using the same data as the other areas of the county;
- many councils had used consultants for financial modelling however the Council had chosen to derive their modelling in conjunction with Plymouth and Torbay and all had agreed to use an official Government return based on the budget set in February 2025;
- the county council network had looked at demand areas (Adult Social Care, Children's Services and SEND) and this had been used;
- Multi-super Output Area(MSOA) showed where the service demand was and which geographical area it would be based in. A more accurate estimate of expenditure was given based on what was happening now;
- Pixel financial management, who had worked on many of the bids, looked at funding and based that on the new formula which would come forward in December, Fair funding 2.0. Section 151 officers must sign off a financial model and therefore couldn't put this forward ethically if it was not believed to work;
- it was not a unique situation to have some areas which had parish councils and some which did not;

- £135,000 was approved by Council for LGR work and the spend had been greater which would be reported accordingly;
- The Inner Circle Report had cost £8,000;
- the report would state education where this was general and refer to school only where a school was meant in order to include Early Years and those educated other than in a school;
- our approach had been explained to Police and Fire services and they had explained how they deliver services and future work would be to look at how our work supported their work ;
- Government statutory consultation was likely to begin around February;
- Neighbourhood Plans would be treated in same way as Local Plans, they are statutory and would not be undermined;
- service delivery would be integrated with other public sector bodies where possible;
- the principle identified was local delivery to meet local needs and work with third sector organisations who were able to advocate or represent and understand communities;
- there would not be asset disposal for the remaining life of this council that wasn't already planned or identified;
- Pixel had used the formulae in Fair Funding 2.0 on best projection for the funding mechanism and Exeter was projected to do quite well as a result which would have a positive impact on the potential unitary authority;
- it would be difficult to estimate demand and inflation for the next three years therefore officers chose to ignore both and keep calculations straightforward;
- the Fair Funding model was based on next year and estimates had to bring calculations back to this year's prices to make a like for like comparison;
- flexible use of capital receipts had been offered by Government in recent times, to cover transformational costs, which Transitional costs fall into. This might change planning around the current capital programme to potentially use some borrowing there but not borrowing for transitional costs;
- the financial model was extremely prudent;
- there were no significant savings projected through service transformation within upper tier services, built into the viability model;
- the financial model, based on disaggregation, taking apart the upper tier, as well as savings from bringing together district councils;
- there would be some rationalisation of property but mainly of officers, for example, there were eleven Section 151 Officers but only four would be required; and
- waste collection was efficient in Exeter with the MRF generating income and this model could be adopted across the new areas.

The Chair stated that the councillor numbers presented had come from a consensus from Group Leaders rather than being decided by officers.

Councillor Pole moved the recommendation from the Chair.

Councillor Haigh proposed an amendment, seconded by Councillor Moore and following a unanimous vote was CARRIED.

That the Special Strategic Scrutiny Committee:
2.1 Notes the work being done by officers to develop a final proposal for LGR in Devon and notes Member feedback to help shape that submission.

As the amendment was carried it became the substantive motion which Councillor Pole moved from the Chair, seconded by Councillor Atkinson and following a unanimous vote was CARRIED.

The meeting commenced at 5.30 pm and closed at 7.23 pm

Chair

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PLANNING COMMITTEE

Monday 10 November 2025

Present:-

Councillor Knott (Chair)
Councillors Rolstone, Asvachin, Atkinson, Banyard, Hussain, Ketchin, Mitchell, M, Pole and Williams, M

Apologies

Councillors Hughes

Also Present
Strategic Director for Place, Planning Solicitor, Assistant Service Lead – Development Management (Major Projects), Principal Project Manager - Development Management and Democratic Services Officer.

Also in Attendance
Ben Sunderland (Devon County Council Highways)

34 MINUTES

The minutes of the meeting held on 8 September 2025 were taken as read, approved and signed by the Chair as correct.

35 DECLARATIONS OF INTEREST

No declarations of interest were made by Members.

36 LIST OF DECISIONS MADE AND WITHDRAWN APPLICATIONS

A Member enquired about a change of use application (C3 to C4) and sought clarification on whether it related to an Article 4 direction and further information.

The Assistant Service Lead – Development Management (Major Projects) would provide a written response on the decision.

The report of the Strategic Director for Place was noted.

37 APPEALS REPORT

A Member noted that officer summaries were missing for some items, and a request was made to include the final appeal decision directly in future reports to improve public accessibility. The Strategic Director for Place noted the feedback and would address this matter.

The report of the Strategic Director for Place was noted.

The meeting was briefly adjourned at 17:35 and resumed at 17:38.

38 PLANNING APPLICATION NO. 25/0098/FUL & 25/0099/LBC- FORMER WALLED GARDEN ADJACENT TO REED MEWS, MARDON HILL, EXETER

The Chair invited Mr Shore-Nye, to speak for five minutes in support of the

application, who made the following points:

- the proposed development was for a flagship facility following a two-year extensive collaboration with Council officers and following a number of design revisions;
- the proposal would deliver a cross-faculty research and teaching facility to support the Institute of Arab and East Studies, accommodating 80 academics and 400 students, meeting the identified need for large, active and digitally connected learning spaces and collaborative research space;
- the design process involved extensive collaboration with council officers and two reviews by the Council's Design Review Panel;
- in response to feedback, the building had been reduced in height and size by 19%, landscaping enhancements had been increased across the site, and the architecture and materiality had been revisited to better integrate with the surroundings;
- the plan to use the historic Mews courtyard during construction has been removed at the officers' request;
- the sensitivities and complexity, of developing within the historic campus setting had been a primary consideration throughout the project and the design balanced the functional needs of a new educational facility with the sensitivities of the historic campus setting;
- the proposals would inevitably result in some heritage harm through the loss of historic fabric on site, but the significant public benefits of the project, would outweigh the acknowledged heritage harm;
- economic benefits included supporting the University's £509.4M contribution to Exeter's GDP and 9,070 jobs and would generate an estimated £6.7million in annual postgraduate teaching income and £2million in research income;
- the construction phase would provide additional fixed-term social and economic benefits, estimated to be between £7.45M to £8M to the local economy over two years;
- the development would create a new, fully inclusive and accessible path through the Reed Hall buildings, improving campus connectivity;
- a package of restoration measures would be secured by condition to better reveal the significance of Reed Hall;
- new garden areas and elevated cafe terraces would also allow for greater appreciation of the historic setting;
- the building would use low embodied carbon materials, off-site construction, and adopt Passivhaus House standards;
- biodiversity net gain objectives would be met through on-site and off-site measures and a separate, standalone bat house had already been constructed to mitigate impacts on existing roosts;
- all issues raised by statutory consultees had been addressed through design revisions or planning conditions; and
- the proposal would deliver a world-class, sustainable academic building that justified approval based on its long-term public value and requested that the Planning Committee support the officer's recommendation.

Mr Shore-Nye responded to Members' questions as follows:

- the location was a key area of activity and would be a logical extension for the successful Institute for Arab and Islamic Studies, which was already there;
- the new building would boost activity in that part of the campus and encourage people to enjoy it more;
- the university had moved away from a carbon management approach but there was a recent example of creating a valley to increase biodiversity for community engagement;

- the planting and landscape for the development would be significant; and
- the university had a comprehensive biodiversity strategy that governed grounds management, chemical use, and focused on improvements to being biodegradable.

The Principal Project Manager - Development Management presented the application for the partial demolition of the existing garden walls and workshops at the former walled garden adjacent to Reed Mews, Mardon Hill and the construction of a part two, part three storey educational building for teaching and research use and associated landscaping, including temporary enabling works.

Members were advised that the recent planning update sheet circulated to Members, had raised two issues which had since been addressed:

- Exeter airport had requested two additional pre-commencement conditions, which the university and their agent had agreed to; and
- A request was made for minor changes to a number of other planning conditions, which had been discussed and agreed upon by both parties.

The recommendation had subsequently been updated to approve both applications, subject to delegation to officers to finalise minor changes to the conditions based on the issues raised in the amendment sheet.

Members received a presentation which included the following information:

- the proposed development was a Grade II listed building, located on a complex, historic site within the central-west area of the university campus;
- the site's red line boundary was reduced in size during the application process;
- key features of the surrounding area included Reed Hall, historic terraces and steps from the original ornamental gardens, a catering courtyard for Reed Hall, the Mews Courtyard, student accommodation buildings to the north and the Institute of Arabic and Islamic Studies (IAIS);
- an 1899 historic map showed a walled garden that predated the house, confirming the historic layout;
- the entire area shown on the historic map was considered to be part of the curtilage of the listed Reed Hall and was therefore curtilage listed;
- the steps and terraces were also separately listed heritage assets and the entire area was designated as a registered historic park and garden, but was not on the national register so was considered an undesignated heritage asset;
- historic maps showed that buildings along Mardon Hill and a central building were still in place, while hatched areas indicated former glasshouses were now gone;
- photographs revealed the site's current state, topography, and accessibility challenges and included a vault beneath the western part of the site, original stone-paved paths that serviced former glasshouses and potting sheds;
- Mardon Hill had a steep gradient posing accessibility issues;
- a key walking route through the Mews Courtyard, included historic steps, which had been closed since the COVID-19 pandemic for safety reasons;
- the new building would have an entrance directly opposite the Institute of Arabic and Islamic Studies building and a new path was proposed across the former productive garden, which currently lacked a formal path and had a significant slope;
- the application was first submitted in January 2025 after limited pre-application discussions and a Design Review Panel presentation. In June 2025, officers concluded they could not support the initial scheme due to its heritage impact,

citing concerns over scale, design, and materials;

- the proposal to use Mews Courtyard as a construction compound, requiring demolishing historic walls, were considered unjustified and unacceptable;
- following feedback, an intensive redesign process was undertaken, including officer workshops and another Design Review Panel in July 2025;
- the revised scheme was resubmitted on 11 September 2025, with the process accelerated to meet the university's program, which was driven by the need for bat licenses;
- revisions to the scheme included reducing the building's footprint by pulling it back from Reed Hall. Revisions also reduced the height by 1.3 meters by lowering the floor-to-ceiling heights, and the ground floor level was raised by a metre, reducing the amount of excavation required and lessening the impact on the historic vault;
- the project included the demolition of most existing structures and construction of a new teaching and research building, providing a disabled car parking space and cycle parking, a new accessible path through the former garden and environmental enhancements;
- the proposed building was for an academic facility with a vision focused on sustainable development, requiring proximity to the IAIS building;
- the demolition and enabling works plan would prioritise material reclamation and tree retention where possible, as well as retaining the historic vault beneath the site;
- a total of 14 category B and C trees would be removed, but no category A trees would be removed;
- the building's floor plans would be designed for accessibility, for various uses and would be integrated with the surrounding campus;
- the roof level would house plant equipment and feature a roof lantern, a green wildflower meadow, and solar PV panels, which were the subject of the airport's conditions regarding glint and glare;
- the building's exterior materials would be either reclaimed from the site or new to match, will be set within pre-constructed concrete frame panels, exposed concrete with smooth or ribbed finishes and hardwood for handrails and bronze for highlight materials;
- the materials for the north elevation would use reclaimed brickwork on lower levels with new brick in prefabricated panels above;
- the materials for the east elevation would include a bronze panel to mark the second-floor entrance;
- the materials for the south elevation would feature lightweight and elegant bronze columns to act as the front of the building;
- the setback from the Mews Courtyard was 6.6 meters at levels 0 and 1, with further setbacks of 3.88 meters and 4.5 meters at higher levels;
- the west elevation, showed the relationship between the new construction, the retained wall, and the existing Mews buildings;
- a 3D view showed that existing retaining walls around the site, including the one adjacent to the IAIS building, would be preserved and the design would retain the existing steps and terraced paths;
- a green roof was included in the plan and dividers would be installed to create smaller, semi-private outdoor seating and conversation areas;
- the main quadrilateral garden was inspired by an Italianate garden design and a courtyard on level one was also included on the plan;
- the design change allowed for direct access to the adjacent garden space during events and the landscaping plan showed the alignment of a proposed new route through the garden that would connect with an existing lit path;
- the application was publicised through two separate rounds of publicity and no public responses or objections were received;
- a licence would be required from Natural England to address the demolition of

the potting sheds which currently housed four species of bat. The university having recognised this as a significant issue, had proactively applied for a license and built a replacement bat roost in the woodland north of the IAIS building, which would support in their application to Natural England;

- the heritage significance of Reed Hall and its gardens had been formally assessed, as required under legislation. Case law had established that heritage matters must be given considerable consideration in the decision-making balance and Section 16 the National Planning Policy Framework (NPPF), provided the framework for conducting this heritage assessment;
- the historical significance of the application site was multifaceted, with the garden area pre-dating the Reed Hall, making it one of the oldest parts of the site;
- the heritage significance of the gardens and glasshouses were derived from it once growing rare and newly identified plant species from around the world and the glasshouses being heated by technologically advanced structures for the era;
- the area also had cultural significance and was used by skilled working-class gardeners with a strong material character, evidenced by surviving stone paths, brick walls, and structures;
- the development's impact on heritage assets included demolition, but measures had been proposed to mitigate the harm and demolition would be prevented until a contract was signed for the wider redevelopment of the site;
- an assessment of the development's visual impact on the setting of retained historic assets was conducted by the applicant's designer using a 3D model using views from key locations. The assessment concluded that the development would cause less than substantial harm to the heritage assets;
- the original designs submitted were more dominant, extending continuously across the view and featuring a large pergola. The revisions had improved the scheme's relationship with the historic Mews courtyard and Reed Hall and the new building's design and materiality better reflected the character of Reed Hall;
- the ground floor plinth at Mardon Hill would be constructed from reclaimed brickwork from the site, which was considered positive;
- the new building would obscure some views of Reed Hall; however, the hall's significance was not derived from specific views and the new design created new spaces, including a cafe terrace and a colonnaded entrance, which would offer more positive views over Reed Hall;
- the design of the new building's front elevation was considered a benefit, which enhanced the connection to and appreciation of the historic garden;
- the level of harm to heritage assets was consistently assessed as less than substantial, which allowed for a balancing exercise against public benefits;
- the project would deliver significant economic and social public benefits, including 80 additional academic jobs, an estimated £6.7 million of teaching income and £2 million in research income, additional employment opportunities and shorter-term construction benefits estimated at £7.5 - £8 million for local businesses and subcontractors;
- a package of improvements to the historic environment around Reed Hall included a range of restoration and improvement works . The package would be secured through conditions to ensure the development generated direct benefits for the affected heritage assets; and
- the officer recommendation was to approve both applications subject to the specified conditions and to further minor changes to the conditions in response to the issues set out on the update sheet, as the public benefits were deemed to outweigh the less than substantial harm.

The Principal Project Manager - Development Management responded to Member

questions and clarification points as follows:

- level 4 recording was a high recording level, defined by Historic England, which intended to capture written and photographic records information for future researchers to use. Records would be archived and it was anticipated that the demolition process would likely reveal further information about the historic arrangement and functionality of the site, which would also be documented;
- the new path gradient would be 1 in 12, which would be fully accessible for wheelchair users;
- the potting sheds were previously used for storage as an extension of the theatre workshop but were not currently used, with low architectural merit, and the constraints of the development site, the demolition of the potting sheds was justified;
- a formal verified view assessment was not legally required and that the 3D visualisations provided were considered accurate for assessing the building's impact. A formal verified view assessment was also considered to be unnecessary and would have caused significant project delays and costs;
- views for the visual impact on Reed Hall were those provided in the presentation, notably the where the two buildings would be seen together from a pedestrian perspective;
- officers considered it unlikely that unexploded ordnance (UXO) would be found on this site, but the responsibility for managing the risks associated with any unexploded ordnance survey, ultimately rests with the landowner/developer. However, given that UXO had been discovered in relatively close proximity, an informative could be attached to the permission to highlight this issue;
- the new accessible route would continue to be publicly accessible, and there were no plans for barriers, but this was subject to confirmation from the university;
- the trees to be removed were primarily Category B and C which did not warrant a Tree Preservation Order (TPO), but an informative would be attached to the permission recommending that they consider translocating younger trees to other parts of the campus;
- bat re-location did not involve physically moving them and a compensatory roost had been provided. Once a license was granted, the existing roosts, would then be blocked off to prevent re-entry, encouraging them to use the new alternative roost;
- the proposed solar array as part of this proposal is at the furthest western extent of the area where the airport must be consulted for aviation safeguarding and the other solar array referred to that was explained to be north of this site was outside this designated zone. The airport required a proper assessment, and it was possible that specific non-glare panel finishes could be used to mitigate any identified risks;
- the design of the north elevation facing Mardon Hill, had been given significant consideration and the central entrance had been designed to be plain due to the main entrances being in other locations. It would feature designs to add interest but the design focussed on the south elevation facing Reed Hall, which was more important;
- the area was formerly the location of greenhouses and the visible stone walkways were paths between the greenhouses, and there were original planter positions;
- one of the buildings to be demolished was a 1950s building, which was not considered to have heritage value, and was being used as a theatre workshop;
- the potting sheds were located on the other side of a wall from the main development footprint and another retained building on the site was a

functional historical structure but not of high value;
- the bricks from the demolished structures would be reclaimed and reused in the new building's materials where possible;
- access to the lit path was, historically, by a flight of steps from the Mews courtyard, as well as via the gap through the Potting shed buildings from Mardon Hill. This route from Mardon Hill would no longer be available following the development, but an equivalent route is proposed a short distance to the south west;
- the new, accessible route would be created along the side of the new building, leading to outdoor seating, the quadrilateral garden, and then to the lit path;
- as part of the improvement package, the stairs from the Mews Courtyard, which were closed during the COVID-19 pandemic and have since remained closed, would be re-opened, though it was not an accessible route;
- the university had agreed to re-open the terrace behind Reed Hall, which will re-establish a historic route linking the Billiard Hall with the new development site;
- the development's impact on historic structures, including Reed Hall and adjacent buildings, was clarified; and
- the combination of the project's specific economic benefits and the negotiated package of heritage/environmental interventions was necessary to outweigh the "less than substantial harm" to the heritage site.

A Member request for a better visualisation of the new building's impact on Reed Hall was addressed by reviewing a presentation slide, which showed the view from the gardens (in which Reed Hall itself had not been fully detailed so was not clear). The chair identified that the new building would have its most impactful and damaging effect on the principal view of Reed Hall from the gardens.

During the debate, Members expressed the following views:-

- the application would benefit the sustainability of the global south and was suitable given the site's historical context;
- positive aspects included the reduction in the building's massing to lessen its visual impact and improved pedestrian routes;
- the evolution of the application through collaboration between the university and planning officers was commended;
- ensuring that information about the heritage assets being lost would be properly recorded and made public was welcomed;
- the reuse of materials from demolished structures would be beneficial;
- on balancing the harm and the benefits, the application was supportable;
- the development was welcomed as a sustainable project on an existing site that could accommodate its scale;
- the university's role as an economic driver for the city and region was highlighted as important;
- the building's would be built to Passivhaus standard was significant and echoed the site's history of innovative heating technology;
- the high level of detail and sensitivity shown toward the heritage aspects was commended;
- the collaborative effort from officers, the design team, and the university to produce an evolved and sound scheme was impressive; and
- it was a positive factor that the working-class culture and history was being preserved.

The Strategic Director for Place made the following concluding points:

- the planning team were thanked for their intensive work over the summer

period, which involved workshops with the university to make design improvements and secure a package of enhancement measures; and
- the enhancements were crucial for helping the Planning Committee understand the balance of the benefits against the less than substantial heritage harm.

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

RESOLVED that Planning Permission be granted subject to the conditions set out in the report, the two additional conditions requested for airport safeguarding reasons and the minor changes to conditions to address the issues raised by the applicant in their correspondence as set out in the Planning Committee Update Sheet. Delegated authority was given as sought by officers in their presentation for the minor changes to the conditions to be finalised by officers in consultation with the Chair.

RESOLVED that the listed Building Consent be granted subject to conditions as set out in the report, subject to any minor revisions outlined in the Planning Committee update sheet, which relate specifically to the Listed Building. Delegated authority was given as sought by officers in their presentation for the minor changes to the conditions to be finalised by officers in consultation with the Chair.

39 **PLANNING APPLICATION NO. 23/1532/OUT - SANDY PARK FARM**

The meeting was briefly adjourned at 19:41 and resumed at 19:43.

The Chair invited Mr Pete Thomas, to speak for five minutes, against the application, who made the following points:

- there were concerns about procedural validity, access arrangements and policy compliance of the proposal;
- policy EJ6, designated this land for use for transformational employment allocation and the proposal to deliver 158 dwellings was a departure from emerging policy;
- there were highway implications, especially on match days where congestion in this area was already difficult and additional traffic from 158 dwellings would significantly worsen existing congestion and impede emergency vehicle access;
- the applicant's red line boundary on the location plan did not extend to the edge of the access roundabout, leaving a gap, which was land owned by the Exeter Rugby Group;
- according to National Planning Policy Practice Guidance, the red line must include all land necessary for the development, including access and as the applicant did not own this land, the application was procedurally defective;
- no ownership notice had been served on his clients;
- he challenged the Highway Authority's suggestion that access could be secured through a Section 278 agreement, and advised that despite the road surface being the Highway Authority's responsibility, his client owned the adjoining grassed area and bank;
- if the northern access were undeliverable, all traffic would be forced onto the southern route via New Court Way and Old Rydon Lane, which had not been assessed in the transport assessment;
- officers had already determined that the southern access was unacceptable;
- the proposal for 158 dwellings was a material departure from emerging policy in which no operating justification or demonstrable planning need had been

provided; and
- the Planning Committee were requested to uphold the officer's recommendation for refusal and also to refuse for procedural invalidity and the undeliverability of the northern access.

Mr Pete Thomas responded to questions from Members as follows:

- the Exeter Rugby Group had checked their plan which advised that they owned the small sliver of land around the fence;
- the redline should include access to the roundabout as an integral part of the application;
- the Exeter Plan showed the direction, but was not at an advanced stage, so considerations were being highlighted;
- the objection originated from the potential impact upon the roundabout, particularly on match days, and the larger concerns about traffic coming out of there, and the implications for the surrounding road; and
- even with commercial land development, there would be additional vehicles to and from the site, so there were concerns about additional vehicles impacting access.

The Chair invited Mr James McMurdo, to speak for five minutes in support of the application, who made the following points:

- he was working for the applicant, who was also a landowner;
- the proposal was a significant opportunity for the city, which planned for 158 houses and 180,000 sq. ft of employment space, which would deliver 1,000 jobs;
- he enquired how such a development could be considered harmful, especially in the context of a 3,000-housing delivery backlog and employment issues;
- there were significant issues with the existing policy plan which had been superseded by the construction of the hotel;
- despite paying a pre-application fee, he claimed officers had refused to engage with them or respond to emails with the pre-application fee eventually being returned; and
- the Planning Committee were requested to defer making a decision on this application and to undertake a site visit to the hotel and assess the impacts in relation to the policy.

Mr James McMurdo responded to Members' questions as follows:

- ignoring economic development was not' being proposed in favour of housing, the existing policy plan was being highlighted as being blank;
- the emerging policy was for employment to the north, and residential to the south, but did not consider the impact of the hotel;
- there was about eight hectares of land, which could deliver 158 dwellings, and met the residential density prescribed by the Council and would deliver 180,000 square feet of commercial space;
- the hotel is 8 storeys high, and the reason the Planning Committee were being asked to visit the site was to consider moving the employment land to accommodate housing;
- outline planning permission for housing and commercial space was sought;
- it was within the gift of the Council to control the delivery and phasing of commercial space in line with the houses;
- he was unsure if Exeter Rugby Club had asked his client whether they could develop the space;

- a pre-application payment was made but officers had refused to engage with the clients and the application fee was ultimately returned; and
- the application was seeking to deliver 1,000 jobs, with 158 houses to help the council meet its residential and commercial targets, and it was disheartening to see a recommendation of refusal.

The Assistant Service Lead – Development Management (Major Projects) presented the application for up to 158 residential dwellings (Use Class C3), and up to 17,567 sq. m of commercial floorspace (Use Classes E, F2, B2 and B8) with associated infrastructure at Sandy Park Farm, Old Rydon Lane.

Members received a presentation which included:

- the site location plan;
- aerial views showed the site was generally used for agricultural land with some residential and commercial use;
- parameter plan showed a mix of commercial, residential and open space, with a central spine road connecting Sandy Park Way and Old Rydon Lane;
- the indicative layout showed how the site could be developed for mixed use;
- internal spine road through the middle of the site;
- the northern access to Sandy Park Way;
- the southern access to Old Rydon Lane;
- the 2010 Newcourt Master Plan allocated the site for employment land only;
- Core Strategy Policy CP19 policy required approximately 16 hectares of employment land for Newcourt area, and the current application only provided 2.29 hectares of employment land on an 8-hectare site;
- meetings with the applicant had been held and the Council's advice had been consistent since early last year, for the need for an overall masterplan to show how the required employment land and housing could be delivered across this site and the land in the same ownership to the south of Old Rydon Lane. The applicant did not provide this masterplan as requested;
- several technical issues remain unresolved, including access and the proposed southern access onto Old Rydon Lane would require the removal of two trees which were worthy of retention;
- the application was being brought to the committee now because an extension of time requested by the applicant expires at the end of the month; and
- the officer recommendation was for refusal, due to the failure in providing the required amount of employment land.

The Assistant Service Lead – Development Management (Major Projects), the Strategic Director for Place and the Devon County Council Highways Officer responded to Member questions and clarification points as follows:

- this was an outline application, and although the housing type was not specified, the indicative layout suggested it would be a standard two-story type of houses;
- housing delivery had been broadly in alignment with the masterplan but there had been some significant changes, notably the IKEA store and hotel, but there had been no employment land delivered to date;
- Section 278 agreements could be made between the Highway authority and any individual, and Highway Maintainable at Public Expense (HMPE) covered both the carriageway and verges;
- the newly identified strip of land owned by the applicant's client may affect the boundary, but this was only received on the Friday preceding the meeting and as such, had not been fully investigated;
- if third-party land were required for access, the Council could grant permission,

but the development could not legally proceed without an agreement between the developer and the landowner, which would create a ransom situation;
- 55 dwellings per hectare was not considered to be high density, with lower density being around 20-30 dwellings per hectare;
- the deferral request was for Members to view the hotel, which was on the land to the south, which was not being considered at the meeting;
- an extension was granted to the applicant to the end of November and any deferral would allow a six-month appeal window and could lead to a non-determination appeal;
- an application was submitted in 2014 for housing on the land to the south of Old Rydon Lane, which was approved subject to a Section 106 agreement; in 2015 a draft s106 agreement was sent to the applicant's solicitors, but no response had been received and subsequently the application was finally disposed of due to its age;
- officers required a masterplan covering both parcels of land, in order to demonstrate that the required level of employment land and housing was deliverable before accepting the redistribution of employment land to the south of Old Rydon Lane;
- there was an opportunity for the applicant to appeal, either officer recommendation to refuse or option to defer which go beyond the current extension of time, but it would be for the applicant to decide;
- the reason for refusal was on the loss of trees at the southern access, and the application's failure to demonstrate how the potential conflict with vehicles entering that access with the number of pedestrians on match days would be managed;
- the southern access likely would need a re-design to ensure safety, but there had been no objections from National Highways or the Highways Authority;
- if Members went against the officer recommendations and voted to approve the application, a comprehensive package of conditions and planning obligations would need to be agreed;
- the adopted Core Strategy allocated for around 16 hectares of employment land in the Newcourt area, but none had been delivered to date; and
- the emerging Exeter Plan policy (EJ6) allocated 7 hectares for employment at the site with the current proposal being approximately 2.2 hectares.

During the debate, Members expressed the following views:-

- a Member considered there was a need to agree a further extension of time and approve a deferral to undertake a site visit and concern that any refusal would force the developer to appeal. A deferral would allow the Council to maintain a level of control on this situation;
- a site visit was not considered necessary and that the developer had not been reasonable and needed to work with the Council;
- there were unresolved issues with access, land ownership, and highway safety as reasons to refuse and the developer needed develop a masterplan;
- a Member felt they did not have enough information to make a decision, and the point about retaining planning control was valid, but was reluctant to go against policy reasons for refusal; and
- there was concern about the developer's history and the current proposal's failure to provide adequate employment land. The application needed a masterplan to provide more confidence in it.

The Chair saw no grounds to defer for a site visit and saw no grounds under the regulations to consider undertaking one. Members were familiar with the site and going to a different site to view the hotel was not relevant to this application. He considered there were problems with this application and supported the officers'

recommendation for refusal.

The Strategic Director for Place made the following concluding points:

- the key issue for refusal was that the proposal would not deliver enough employment land as required by policy and by approving this application the opportunity to provide the right amount of employment land in this area would be lost;
- employment was a key issue for the Exeter Plan and no employment land had been delivered in the Newcourt area to date; and
- there was relatively little land left, which had not been developed for housing or other uses.

The Chair moved, and Councillor Atkinson seconded the recommendations.

It was proposed by Councillor Mitchell and seconded by Councillor Banyard that the following amendment be made to the recommendations:-

- that subject to a further agreed extension of time, the Planning Committee defer this application to allow for further negotiations between the applicant and the City Council.

During the debate on the amendment, the following points were made:

- concern was expressed that issuing a refusal could reduce the council's control over the land, pushing the applicant toward an appeal process where the Council had limited influence;
- the applicant appeared to be willing to cooperate with the Council, including agreeing to a site visit or a deferral;
- Members now have a better understanding of the site's issues following the debate;
- the developer should be given a further opportunity to negotiate with the planning team to find a proposal which would be acceptable to the committee;
- the applicant had already been given seven years, which was sufficient time to address the issues and planning applications should be resolved quickly;
- deferring would send the wrong message that the proposal was fundamentally sound and only needed minor adjustment;
- sending mixed messages to the developer would be unhelpful and they needed to understand the site's incompatibility;
- if the application were refused, the inspector would likely uphold the Council's position because there were strong grounds and ample alternative housing provision in the area;
- an extension would not change the fundamental issue of the employment land shortfall;
- an extension would be a desirable outcome to test the applicants willingness to engage and enable the Council to maintain control of the situation; and
- the Strategic Director for Plance had clearly explained that the refusal reasons related to the balance of land use and the applicant had not indicated any willingness to adjust that balance; and
- granting more time or an extension would not change the core issue, in that, this specific parcel of land was allocated solely for employment use.

The amendment was put to the vote and was not carried (2 in favour, 7 against, and 1 abstention).

The Chair returned to the motion to follow the officer's recommendation for refusal,

which was voted upon and CARRIED (8 in favour, 0 against and 2 abstentions).

RESOLVED that the planning application for up to 158 residential dwellings (Use Class C3), and up to 17,567 sq. m of commercial floorspace (Use Classes E, F2, B2 and B8) with associated infrastructure at Sandy Park Farm, Old Rydon Lane, be refused for the reasons listed in the report.

(The meeting commenced at 5.30 pm and closed at 9.00 pm)

Chair

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EXECUTIVE

Tuesday 4 November 2025

Present:
Councillor Bialyk (Chair)
Councillors Wright, Asvachin, Foale, Vizard, Williams, R and Wood

Apologies:
Councillor Patrick

Also present:
Chief Executive, Strategic Director for Corporate Resources, Strategic Director of Operations, Head of Legal and Democratic Services & Monitoring Officer, Head of Service - Environment and Waste and Democratic Services Officer

79 MINUTES

The minutes of the meeting held on 23 September 2025, were taken as read, approved and signed by the Chair as a correct record.

80 DECLARATIONS OF INTEREST

No declarations of disclosable pecuniary interests were made.

81 QUESTIONS FROM THE PUBLIC UNDER STANDING ORDER NO. 19

A member of the public, Mr Frankum, submitted the following question, related to Minute No. 84:

- "NO^2 reductions in our City is largely a welcome success story this will be further improved with the addition soon, of Electric Buses, would council consider moving monitoring from a consistently low recorded area to Bovemoors Lane which monitoring has shown to suffer increased traffic, congestion & idling and is a concern to the local community".

The Portfolio Holder for City Management responded that there had never been any diffusion tubes located in Bovemoors Lane as the location of the diffusion tube network sought to concentrate upon areas where there were higher volumes of car movements and therefore likely to be an issue with exceedance in nitrogen dioxide.

The nearest monitoring points were in Heavitree and Barrack Roads and as these locations had no exceedances this indicated that exceedance in Bovemoors Lane was unlikely as vehicle movement was lower and properties were set back from the road.

Mr Frankum in asking a supplementary question, stated that the Council's records showed that over the last three years, Carter's Court on Sidwell Street, recorded just 15.7, 15.9, and 16.1 NO^2 which were among the lowest in the city. Bovemoors Lane, however, had recorded 34 in a single day.

Devon County Council's own count confirmed an increase in traffic on this busy lane and the hospital's Chief Executive had said congestion there now delayed ambulances, particularly during peak times. He was surprised the council would

dismiss these local concerns and asked if Bovemoors Lane could be reconsidered as a monitoring site.

The Portfolio Holder for City Management in responding thanked Mr Frankum for the detail provided and advised that the consideration of an additional diffusion tube could be included as part of the ongoing air quality management review and that his comments would be taken into consideration.

82 **MATTERS REFERRED BY SCRUTINY COMMITTEES**

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

83 **REQUEST FOR A VARIATION OF HACKNEY CARRIAGE FARES**

The Executive received the report which sought authority to undertake a further consultation period to satisfy the legal duties set out in Section 65 of the Local Government (Miscellaneous Provisions) Act 1976.

Members were reminded that a request had previously been received from the Chair of Exeter St Davids Hackney Carriage Association, for an increase to the Hackney Carriage Fare Tariff and the Executive meeting on 20 May 2025, had agreed to a six-week consultation between 27th May and 8th July 2025.

The six-week period did not allow for completion within the statutory two-month timescale required under the Local Government (Miscellaneous Provisions) Act 1976 and it was proposed that a new two-week consultation be undertaken between 6 and 20 November 2025 to comply with legislative requirements and would incorporate the feedback already received.

Particular reference was made to the 74 responses received during the six-week consultation period, of which, 69 had been in support of the fare changes. Delegated authority was also being sought to enable the Strategic Director of Operations and Portfolio Holder for City Management to consider any representations made and whether to introduce the proposed changes, with or without modifications, following the consultation period.

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

- the inclusion of data to meet statutory and charter obligations was supported and the additional two weeks was endorsed;
- the environmental benefits outlined in section 9 of the report with regards to Exeter's taxi fleet being among the greenest was welcomed;
- fare increases would also support further environmental ambitions;
- clarification was sought on the addition of two weeks in relation to the previous consultation;
- taxi drivers had not received a rise for a number of years and the provisions for a resolution before Christmas were welcomed.

In response to questions and points raised by Members, the Portfolio Holder for City Management and the Strategic Director for Operations advised that:-

- taxi drivers provided an essential service and a swift progression for fare increases through delegated powers was welcomed;

- the initial plan was for four weeks but had been extended to six weeks to align with the Council's Consultation Charter, and caused a timing issue with the statutory period;
- a review of the Consultation Charter would be undertaken to ensure it incorporated regulatory/statutory periods of consultation; and
- it was anticipated that new feedback in the consultation would mirror prior responses received.

Opposition group leaders raised the following points and questions:

- the fares had been reported at a recent Taxi Forum meeting and had been supported;
- there were 94 Hackney Carriage drivers in the city, who were considered as ambassadors of the city, and the increase was deserved;
- praise was given to the Chairs of the two taxi associations and support was given for the delegation to the Portfolio Holder and Strategic Director to implement the changes before Christmas;
- an enquiry was made on the Local Government (Miscellaneous Provisions) Act 1976 and assurances were sought on the powers of delegation, and whether the matter should be referred to the next Executive meeting; and
- support was given to expediate the fare increases having heard the desire from Hackney drivers about the need for an increase.

The Leader highlighted the honesty and integrity of local drivers following a recent experience. He also advised that he supported the two-week consultation and that the Council was being fully compliant.

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

RESOLVED that the Executive approves:

(1) for the fare increase proposals (in Appendix C of the report) to be put out to public consultation in accordance with the statutory requirements to run from 6 November 2025 until 20 November 2025;
(2) that the comments received during the earlier consultation, would be carried forward into the new consultation for consideration alongside any other responses received up to and including 20th November 2025; and
(3) the Strategic Director of Operations, be granted delegated authority in agreement with the Portfolio Holder for City Management, to consider representations and determine whether to set a date for the revised table of fares to come into effect with, or without modifications.

84 **AIR QUALITY ANNUAL STATUS REPORT AND REVISION OF THE AIR QUALITY MANAGEMENT AREA (AQMA)**

The Executive received the report statutory Annual Status report that had been submitted to the Department of Environment, Food and Rural Affairs (DEFRA) and contained the monitoring data from 2024, in-year summary of the actions taken to improve local air quality and future plans.

The Leader moved and Councillor Williams seconded an amendment to the report recommendations to read as follows:-

Two original recommendations remain unchanged as follows:

- that Executive notes the statutory annual status report;
- that Council notes the statutory annual status report;

To delete recommendations 2.2 and 2.4; and replace with:

- that Executive does not amend the current Air Quality Management Area (AQMA) and instead asks that the Head of Service scopes out a programme to include the physical and financial resource to revise and consult upon the Air Quality Action Plan for the current Air Quality Management Area as well as an Air Quality Strategy for the city; and
- that scrutiny on 20 November 2025 is asked to formulate ideas that they would like to be considered as part of the scoping programme, so that these can be factored into the future report when the physical and financial resource is being looked at.

The Portfolio Holder for City Management in speaking to the reason for the amendments made the following points:

- no area in Exeter currently exceeded the 40 micrograms per metre cube NO^2 exceedance which demonstrated that the Council was a on course for improved air quality across the city;
- although one area in East Wonford Hill, previously exceeded 40 micrograms, it was now below that value, however, having an Air Quality Management Area (AQMA) on a short stretch of road did not seem beneficial; and
- there needed to be a focus on continuing to improve air quality across the whole city with a focus on developing a five-year air quality strategy.

In speaking to the amendment, the Portfolio Holder for City Management read some key points of information for Members to consider:

- Air quality within the city had improved significantly over the last decade and was welcomed.
- The monitoring data gathered from the diffusion tubes for NO^2, showed that no sites measured an exceedance of the annual average objective in 2024 for NO^2 and that exceedance was 40 micrograms per metre cubed. This was the first year when all measurements had been below the objective for NO^2 and marked a significant milestone in the continued improvement of the city's air quality.
- There had been no exceedances from the previous year to create an unexpected dilemma for decision makers. For a number of years now, DEFRA's annual appraisal had stated that when a number of locations had more than three consecutive years without exceedance, the authority, in light of the Act and statutory guidance, needed to review the air quality management area with a view to covering the remaining areas that contained exceedances.
- This report had correctly fulfilled that role by asking for a revision to be considered.
- There was a likelihood that one remaining location could still legally require an AQMA for three years without exceedance by the end of 2026 and the Executive were being asked to consider whether it was worth investing resources into revising the AQMA now, when there was the probability that the new order would be short-lived.
- It was important to note that there was an imperative area of concern for East Wonford Hill which still needed to be the centre of the revision and consultation of the AQMA, which the Council was still required by law to revise and consult on.

- There was, however, an opportunity to remain compliant with the legal requirements but to go further by encompassing a wider strategy for the city as a whole. Whilst there was no legal requirement to devise a strategy, due to the AQMA, it would allow the Council to lead in developing a five-year strategy that would, as one of its primary objectives, lead to consideration of revoking the current AQMA after having three successive years below the UK objective of 40 micrograms per metre cube NO^2 exceedance.
- Instead of pursuing the report recommendations that had been correctly presented to Members, it was proposed that the Council continue with the current AQMA and do not consult upon its revision and ask the Head of Service to scope out a programme to revise the current air quality action plan, as well as an air quality strategy.
- It was important to note that such an undertaking would have to be scoped in detail as the service responsible did not have either the staffing resources or budget to undertake this work or bring in specialist resources to conduct this work. This would allow the Head of Service the time to properly scope this work so the Council could then consider the financial requirements and implications.
- There was also a role for Strategic Scrutiny Committee, which on its meeting on the 20 November 2025, the Portfolio Holder for City Management could hear ideas on the process could work.
- This would be an opportunity, to capture the methodology for capturing citywide input from Members from across the political spectrum, rather than getting into too much detail about the content of the action plan or the strategy, as that would be for a future process.

The Leader advised Members that the notice of motion, from the Council meeting on 14 October 2025, which was referred to Scrutiny would also be included for discussion at the Strategic Scrutiny Committee on 20 November, together with a copy of the Executive Minute for this item.

The Strategic Director for Operations advised that the report brought back the annual status update which met regulatory requirements and the amendments would allow the Council to go beyond minimum requirements.

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

- the worst areas of the city which no longer showing exceedances were welcomed;
- in supporting the current configuration, it demonstrated progress by the Council;
- despite heavy local traffic patterns in wards such as Pinhoe, there was improved air quality away from major roads;
- the amended recommendations were welcomed and demonstrated how the Council was going beyond compliance and the importance of an air quality strategy;
- there were limitations on transport/highways powers limitations without unitary status and the Councils unitary bid could enable better transport/highways powers to reduce emissions;
- the progress made on Air Quality was commended and more regular updates from the Portfolio Holder would be welcomed; and
- would there be improved collaboration with Exeter Highways and Traffic Orders Committee (HATOC).

The Leader advised that the Managing Director of Stagecoach had stated that Exeter bus fleet would become fully electric, but how far that range would extend was to be determined.

In response to questions and points raised by Executive Members, the Portfolio Holder for City Management advised:

- there would be more regular updates provided and likely two presentations made to Strategic Scrutiny Committee, with the first being in June 2026; and
- she was working closely with Devon County Council and over air quality action plan and was consulting with partners, such as the Director for Public Health, relevant neighbouring authorities and Highways.

Opposition group leaders raised the following points and questions:

- supported was given for the amendment and the new direction proposed;
- a concern was raised on the legality of wording implying Executive instruction to Scrutiny;
- a number of previously submitted questions had not been responded to;
- the previous report had been deferred to update the AQMA, but there appeared to be no changes other than to adoption of time scales;
- interim actions were sought until the new strategy was adopted, notably SMART actions and resources;
- enquired if the appraisal report would be signed off by Director of Public Health;
- clarity was sought on strategy framing for targets as required the Environment Act 2021 particulate matter targets; and
- long-term impacts from medium NO^2 exposure needed to be addressed as part of the work, including mapping of air quality against Indices of Multiple Deprivation such as in St. David's Ward.

In response to questions and points raised by Members, the Leader, Head of Legal and Democratic Services & Monitoring Officer, the Head of Service - Environment and Waste and Portfolio Holder for City Management advised that:

- there were no legal issues and Scrutiny was not being directed and could reject Executive proposals;
- the Strategic Director would respond to the submitted questions, but detailed points and questions should be directed to Strategic Scrutiny Committee which would provide cross-party input for a future report back to Executive;
- there were no exceedances last year and a commitment had been made to provide regular updates and closer working with Devon County Council and specified partners; and
- the Director of Public Health's team were fully cited on the ASR and there was currently no requirement for a physical signature this year but would be a requirement for future years.

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

RECOMMENDED that Council note the statutory annual status report.

RESOLVED that Executive:

(1) note the statutory annual status report;

(2) does not amend the current Air Quality Management Area (AQMA) and agrees that the Head of Service scope out a programme to include the physical and financial resources to revise and consult upon the Air Quality Action Plan for the current Air Quality Management Area as well as an Air Quality Strategy for the city; and
(3) ask that the Scrutiny Committee on 20 November 2025 formulate ideas that they would like to be considered as part of the scoping programme, so that these can be factored into the future report when the physical and financial resource is being looked at.

85 **PROPOSED POLICY OF THE COUNCIL FOR AN INDEMNITY TO MEMBERS AND OFFICERS**

The Executive received the report which outlined the indemnity policy to be granted to Members and Officers, including former Members and Officers. The report also explained the Council's power to grant an indemnity, its benefits and the proposed terms of the indemnity policy were outlined in Appendix 1 of the report, which would provide clarification to the position and terms of the indemnity for Members and Officers.

Particular reference was made to:-

- as a matter of law, officers and members were generally not personally liable for a local authority's actions;
- statutory immunity applied when duties were exercised in good faith and without negligence;
- under the Local Government Act 2000 and the 2004 Order, local authorities may grant indemnities when exercising functions as a Director of a company or as member of an outside body; and
- the proposed policy provided indemnity subject to a number of exemptions, and it was common practice for a local authority to have an indemnity policy.

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

- the report was welcomed and having clarity was important for officers and members to operate effectively for the council's benefit;
- making the policy physical and more accessible in a more digital era was welcomed; and
- indemnity was valuable for those on sit on outside bodies where external indemnities may vary.

An opposition group leader sought clarification on the clause permitting the council to require security from an individual where it was reasonably anticipated that they would repay amounts paid by the council and what were the implications for councillors.

In response to questions and points raised by Members, the Head of Legal & Democratic Services and Monitoring Officer advised that the clause was discretionary and could apply where a criminal offence was suspected and the authority might reclaim costs. It was not a blanket provision and would be considered at the time of any application.

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

RECOMMENDED that Council grant:

(1) the indemnity for Officers and Members and adopts the policy for inclusion in Part IV (Codes and Protocols) of the Council's constitution;

(2) a standing delegated authority to the Monitoring Officer, in consultation with the s151 Officer and the Leader of the Council to:

a) determine whether to meet the cost of any officer or Member liability or loss from the Council's own resources, where the Council's own insurance policy does not cover such a liability or loss; and
b) agree and implement any necessary amendments to the indemnity policy where such amendments are required to reflect changes in legislation, insurance arrangements or best practice, provided that any substantive policy changes are reported back to Council for approval.

(The meeting commenced at 5.30 pm and closed at 6.25 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 9 December 2025.

EXECUTIVE

Wednesday 26 November 2025

Present:
Councillor Bialyk (Chair)
Councillors Wright, Asvachin, Foale, Patrick, Vizard, Williams, R and Wood

Also present:
Councillor Haigh (as an opposition group Leader);
Councillor Holland (as an opposition group Leader);
Councillor M. Mitchell (as an opposition group Leader); and
Councillor Moore (as an opposition group Leader).

Also present:
Chief Executive, Strategic Director for Place, Strategic Director for Corporate Resources, Strategic Director of Operations, Strategic Director for People and Communities, Head of Legal and Democratic Services & Monitoring Officer and Democratic Services Officer

86 DECLARATIONS OF INTEREST

No declarations of disclosable pecuniary interests were made.

87 LOCAL GOVERNMENT REORGANISATION: DRAFT SUBMISSION-PUTTING PEOPLE FIRST IN EXETER AND DEVON

The Executive received the report which set out Exeter City Council's draft final submission to the Ministry of Housing, Communities and Local Government (MHCLG) for Local Government Reorganisation (LGR) in Devon and responded to the Government's invitation for submissions and demonstrated compliance with Government's criteria.

The report outlined resource implications, legal requirements, proposed geography, stakeholder engagement, and a timetable for implementation, with new Councils expected to be legally constituted on 1 April 2028.

The draft final submission was considered by a special meeting of the full Council on 25th November 2025 and received almost unanimous support.

The Leader moved and Councillor Wright seconded two amendments to the recommendations to:

1) amend recommendation 2.2 to change all instances of the word '**adjacent'** to "**surrounding**." and
2) add an additional recommendation, as follows:

- 2.3 That Executive agrees to a Joint Submission with Plymouth City Council to be presented as a shared Executive Summary with the two individual proposals as appendices. Members are asked to note that Plymouth City Council supported this approach and its Cabinet agreed a similar recommendation at their meeting on 24 November 2025.

The Chief Executive spoke to the report and advised that:

- Members were familiar with the draft submission's content from the Council meeting on 25 November 2025, as well as through various briefings held over the past six weeks;
- the Council had developed a draft proposal that addressed the government's criteria, which adhered to the Exeter principles and was legally compliant; and
- that subject to the Executive's approval, a joint submission would be made with Plymouth City Council, featuring a joint executive summary with both Council's full proposals attached as appendices.

The Leader advised that the recommendations were seeking delegated authority to enable the Chief Executive in consultation with the Leader to make further minor amendments to the proposal before it was submitted on the 28 November 2025.

The Leader noted the comments made at Council on 25 November for official recording, which he advised had been responded to at that meeting:

- neighbourhood plans, including the current St. James plan, should be treated distinctly;
- the city's status as a City of Sanctuary must be maintained to ensure it remained a safe city for everyone;
- concerns were raised about the large size of the proposed coast and countryside areas;
- a request was made to engage communities on how they wished to work together;
- Special Educational Needs and Disabilities (SEND) needed to be central to the new authority, and not an afterthought;
- there was a hope for enhanced SEND services that would work with communities and the third sector, to approach it differently.

The Leader referred to the requests from Members raised at the full Council and responded as follows:

<u>Request for a youth council to be created</u>

- The request for a youth council to be created was noted and the ambition to strengthen the voice of young people in shaping services was shared. However, it would be for the future unitary authority to decide whether to establish a youth council or a similar structure as part of its wider democratic framework.
- A Devon County Council social media post indicated that a Youth Council had recently been established.

<u>Purpose, role and budget of Neighbourhood Area Committees (NAC) must be clear and requested that some of the detail be included in the bid.</u>

- The Council was waiting for further government guidance on this issue.
- The Council was recommending that the new unitary councils use their devolved powers under Part 4 of the Local Government and Public Involvement in Health Act 2007 to run Community Governance Reviews to establish local governance arrangements, which NACs could be included as part of that process.
- When co-designed and properly resourced, NACs would strengthen accountability, bringing decision-making closer to residents, and give the new authorities clearer, stronger community representation.

To consider a democratic deficit and relationship between NACs and Parish Councils

- In unparished areas like Exeter, Plymouth, and Torbay, Neighbourhood Area Committees (NAC) would provide a currently missing democratic link to address the deficit;
- In areas with existing town and parish councils, the committees would work alongside them as part of a coherent framework and would not be replacing or duplicating their work.
- There was no proposal to remove assets or powers from existing town and parish councils.
- Political discussions were ongoing regarding the creation of new parishes with devolved responsibilities, but it was not appropriate to address it in the submission. It would be raised as an important issue during any future governance review.

Community Governance Review to use 'should' rather than 'could'

- A minor change to the report from 'should' to 'could' would make little practical difference, given the decision to undertake a Community Governance Review would ultimately sit with the new unitary authority and Government.

To consider strategic housing as there is no mention on what would happen to Exeter's housing stock, which the Council should be proud of. To request a clear commitment to Exeter growing the number of councils houses it had

- The issue of Exeter's Housing stock would be articulated in the Implementation Plans.
- Exeter's housing stock was a major strength and the submission reinforced the city's long-standing commitment to growing the number of council homes and expanding high-quality, affordable houses.
- A unitary authority for Exeter and its surrounding area would strengthen strategic housing delivery, particularly across the major growth areas to the east and southwest of the city.
- Bringing housing, planning, transport and infrastructure into one authority would remove the fragmentation that stalled the Greater Exeter Strategic Plan and ensure new communities had schools, health provision and transport in place from the outset.
- The new authority would also be better placed to respond to homelessness and rough sleeping through integrated services, stronger prevention work and clearer accountability.

Ambitions for SEND transitions should go beyond being safe and legal

- The phrase "safe and legal" was the term used in the government's invitation to highlight the need for these crucial services being safe and legal from day one of the new councils.
- Shadow councils will have plans to mitigate service delivery risks during the transition, particularly for vulnerable people.
- The new authority was expected to use the reorganisation as an opportunity to redesign service pathways, integrate services, and provide families with clearer, more responsive support.

Request to ask the government to fund transitions in order to be realistic about significant debt, which forecast savings can only come after redundancies whilst SEND and social care will remain high costs

- The government had stated that LGR transitions were expected to be funded by the local authorities involved.
- Financial modelling indicated that the transition could be fully funded with a payback within three years, projecting cumulative savings of approximately £500 million over ten years, even with high-cost pressures like SEND and social care.
- During the next stage of the work, officers will continue to work with Ministry of Housing, Communities and Local Government (MHCLG) and ascertain where any funding or resources might be available.

Ask Executive to reflect on what community is

- The proposal was designed to strengthen community engagement and protect the distinct identities of both rural and urban areas.
- The model had been shaped with a clear focus on communities and place and aimed to create genuine opportunities for neighbourhood impact while recognising and protecting the strong sense of place and cohesion that exists across different areas.

That possibilities for transport be considered (Bus Service Act) including bus services and re-doubling railway lines to increase services and therefore remove congestion from the roads.

- Transport was a central component of the case for local government reorganisation.
- A single unitary authority could use powers from the Bus Services Act more effectively to plan bus, rail and road networks in a coordinated manner.
- Integrating transport with housing, planning, and infrastructure would create conditions for more reliable bus services, better connections, and integrated ticketing.
- This unified approach strengthened the strategic case for rail and freight investment, including increased capacity and service frequency on key lines, with the goal of reducing congestion and supporting sustainable travel.

The Leader referred to submitted request from Councillor Michael Mitchell and responded as follows:

- If Exeter become a unitary authority, it should have a seat on the Combined County Authority (CCA) to ensure transferred powers continued to benefit residents. The decision rested with the future unitary authority, but it was assumed that any new council, regardless of political party, would want to be a constituent member.
- The proposal did not include creating new parishes in unparished areas like Exeter, Torbay, and Plymouth, but instead proposed to use neighbourhood area committees in those locations to address the democratic deficit.
- Those committees would not replace or duplicate the work of existing town and parish councils and government lobbying would continue to review the issue of for currently unparished urban areas but was not required as part of the current submission.

- A core part of the proposal was to strengthen the democratic voice and Neighbourhood Area Committees were intended to give councillors more local influence over priorities, funding, and decision-making.
- The specific delegated powers for those committees would be a matter for the shadow authorities to determine.

Executive Members spoke to the report and points raised at Council and made the following points:

- a diagram on page 185 of the report appeared to show town and parish councils sitting hierarchically below neighbourhood area committees, and it was suggested that the diagram be changed to present the neighbourhood area committees and the town/parish councils within the same tier or colour band;
- a suggestion was made to include Exeter's successful cross-council environmental work in the submission, notably the South East Devon Habitat Mitigation Committee strategy, and referring to the successful work undertaken would strengthen the submission's section on environmental management;
- the submission already included provisions for neighbourhood plans and addressed the concerns about local planning input;
- the proposal would enable closer working between environmental health officers and communities, as well as with Trading Standards for joined-up enforcement;
- the appointment of a single Director of Public Health would be critical for developing strategies like a city-wide air quality strategy, which required coordination with highways and transport;
- reorganisation would resolve inefficiencies in waste collection, such as waste from Alphington being collected by Teignbridge instead of being processed at the nearby Exeter plant;
- gratitude was expressed for the extensive work undertaken on the proposal;
- the city's City of Sanctuary status should be formally acknowledged in the submission document to reflect this status;
- the point raised about engaging communities on how they wish to work together under the new structure was endorsed;
- there had been significant engagement with community groups, stakeholders, individuals, and businesses which would continue;
- establishing a Youth Council was important to address the needs of young people, but would be a matter for the new unitary council to determine;
- the LGR (Local Government Reorganisation) survey report, included a significant proportion of young people with 23% of those interviewed in targeted groups being in the 16-24 age bracket;
- it was acknowledged that there had been frustration that more feedback wasn't received from younger groups but the work and learning had been very beneficial;
- follow-up conversations had been held with the Head of Service to discuss moving forward with engagement for groups like care leavers and schools;
- there was importance in strengthening the "sense of place" across both rural and urban areas;
- the point raised at Council regarding transport possibilities was endorsed, and the city's railway stations represented a significant opportunity for growth in passenger numbers if managed correctly;
- the unitary proposal was a critical opportunity to advance climate goals and adopt a full approach to governance;
- the joint approach with Plymouth was important and would strengthen the proposal from Exeter;

- the Leaders address of all considerations from the Council meeting was commended;
- the report was highly comprehensive, and meant that some Members, found responses to questions upon further reading;
- it was highlighted that the primary focus must be on the government's criteria for the proposal;
- the purpose of this meeting was to approve the proposal and decisions about future operations of the unitary authority were not for the current council to make;
- since the new unitary would cover a larger area than just the City of Exeter, the matter relating to being a City of Sanctuary would be a consideration for future trustees of the mayoralty to ensure city-specific aspects continued;
- the reference to Torbay's Children's Services and Education was welcomed as a good example of improvements made since becoming a unitary authority;
- concerns raised about transitional costs and financing were covered in section 4.1 the report;
- the joint submission with Plymouth was a significant strength, which demonstrated regional agreement, which was something the government wanted;
- the proposal met the required criteria set out by Government;
- the proposal was not intended to contain all the processes and regulations of the new authority and that other government guidelines existed;
- the MHCLG had confirmed that the legal status of local plans would not be impacted by local government reorganisation and the Exeter Plan, (currently with the planning inspectorate) once adopted would remain in place until a new plan for the new authority was created;
- the adopted St. James plan would continue to be a significant factor in planning decisions for that area;
- any new local plan would likely have similar levels of engagement and consultation and also would consider existing plans;
- under the devolution criteria, unitary authorities would have greater resources and strategic coordination to protect local identities;
- the creation of a unitary authority would have a long-term positive effect on preventing homelessness by joining up with SEND services;
- a unitary authority would provide a more integrated approach to housing to facilitate the growth of the housing stock;
- it was hoped that community would be a focal point of future discussions;
- the comprehensive report provided a high-quality analysis evidencing how the proposal could work well to deliver essential services;
- the proposal in comparison to other proposals was of a much higher standard and demonstrated a change meaningful was possible for such a massive impact on individuals' lives and future generations;
- residents both in Exeter and surrounding communities as far as Exmouth had been engaged and saw the advantages of the plan;
- there was a current dissatisfaction with Devon County Council from significant residents, notably with a perceived lack of accountability and transparency; and
- bringing together local plans under one authority would create cohesiveness and strategic control, building on the well-researched community plans that already exist.

Executive Members commended the report and expressed support for the submission.

The Leader responded to some of the points raised as follows:

- he acknowledged a Councillor's passion and detailed questions about their portfolio, but advised that many of these questions pertain to the operational delivery of a future unitary authority;
- he clarified that the current focus was on the submission to government, rather than on the day-to-day operational details of running the new authority;
- operational matters, such as the appointment of a Director of Public Health, would be addressed by the new authority once it was formed;
- the Executive had thoroughly considered the issues raised; and
- he acknowledged the importance of the City of Sanctuary status, especially at the current time and would look to ensure that it would be incorporated into the submission document.

The Leader thanked the Executive Members for their contributions during the debate and their reflections on how the proposal affected their respective portfolios.

The Leader invited leaders of the opposition groups to speak, focussing on providing any new information or suggestions to the recommendations, rather than repeating points from the Council meeting.

Opposition group leaders raised the following points and questions:

- concerns were raised about local democracy not being adequately addressed in the proposal and if contributions from the Council discussions were not incorporated into the proposal, the time and energy spent would have been wasted;
- the issues relating to the river Exe, were not sufficiently acknowledged as an important issue, which was considered a severe oversight as the proposal would inform the new authority's work plan;
- there was a need for an early community governance review, and delaying it until after the new authority was established could mean it would get lost;
- there was a perceived inconsistency in the proposal, which mentioned charter trustees and neighbourhood committees running alongside each other, whilst stating a community governance review for the current city of Exeter would be delayed;
- the point about strengthening local, frontline democracy through town councils was crucial for a larger unitary authority with fewer principal councillors, but it felt as though this concern was not being heard;
- a joint proposal with Plymouth was commended and would add strength to the submission to Westminster;
- having attended multiple briefings, it was considered that officers and Members had crafted a very robust and realistic proposal for Devon;
- it was surprising and disappointing that other Devon Council Leaders had disregarded Exeter's bid, given other proposals were overly elaborate; and
- a Greater Exeter Unitary Authority would provide solutions to national challenges and supported the adoption of the proposals.

The Leader in responding to the points raised from opposition group leaders advised:

- thanked the group leader for his supportive comments and endorsement from another political group;
- he acknowledged the opposition group leaders disappointment, but advised that the desired details could not be provided currently and Council was following a set process; and

- if his political group continued to have a lead role in the new unitary authority, they would be committed to working with neighbourhood councils, towns, and parishes.

The Leader in concluding the debate thanked all Members for their contributions and the cross-party support for the principle of a unitary authority based around Exeter and its communities. He also expressed his gratitude to the officers for their hard work in bringing the proposal forward.

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

RESOLVED that Executive:

(1) agrees the Draft Final Proposal for Local Government Reorganisation (LGR) in Devon;
(2) support the creation of four proposed new unitary councils (the geographic details of which were outlined in the report) as follows:

- a Unitary council for Exeter and surrounding parishes;
- a Unitary council for Plymouth and surrounding parishes;
- a Unitary council for Torbay and surrounding parishes; and
- a Unitary council for the Devon Coast and Countryside.

(3) agree to a Joint Submission with Plymouth City Council to present a shared Executive Summary with the two individual proposals as appendices. Members noted that Plymouth City Council supported this approach and their Cabinet agreed a similar recommendation at their meeting on 24 November 2025.

(4) grant delegated authority to the Chief Executive, in consultation with the Leader, to make any further minor amendments to the LGR proposal prior to its submission to Government by 28 November 2025.

(The meeting commenced at 5.30 pm and closed at 6.33 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.

REPORT TO COUNCIL

Date of Meeting: 9 December 2025

Report of: Strategic Director of Place

Title: Investment Approval for New Solar PV Sites

Is this a Key Decision?

No

Is this an Executive or Council Function?

Council

1. What is the report about?

1.1 The report seeks borrowing approval for investment in six new solar Photo Voltaic (PV) installations on City Council owned buildings.

1.2 Feasibility work funded by the SW Net Zero Hub, enabled a full appraisal of corporate buildings, including essential surveys to conclude project viability and investment readiness at six sites.

1.3 A consolidated business case containing all development, borrowing and future maintenance costs.

2. Recommendations:

2.1 Council approves a budget of £1,029,500 for the installation of new solar PV arrays on City Council owned buildings.

2.2 Council notes, that the proposal in respect of Senate Court will be considered in the office relocation report at Council January 2026.

3. Reasons for the recommendation:

3.1 Renewable energy will cut carbon emissions emitted by City Council buildings and support the City Council to work towards Net Zero targets and deliver key corporate objectives. The generation of renewable energy provides added benefit, including reduced energy bills, long term income streams, and protection against energy price increases providing for sustainable council services.

3.2 The benefits of solar PV provide associated social value and wider benefits. The project demonstrates leadership, reduces carbon emissions and secures affordable clean and secure energy, in line with the strategic priorities set out in the Council's Corporate Plan.

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

4.1 The business case is a robust one, providing long term savings over at least a 25 year period, with a net saving for all six sites of £1,652,821. See Business Case within section 10 of this report.

4.2 Exeter City Council declared a Climate Emergency in 2019 and as part of this commitment, it aims to achieve net zero GHG emissions for its own activities. The new solar installations will reduce GHG emissions arising from the City Council's direct activities (termed Scope 2), as detailed in the recent Costed Organisational Carbon Footprint Projections Study and if not carried out this will not be achieved.

5. Section 151 Officer comments:

5.1 The business case and funding mechanisms have been checked and the section 151 Officer is satisfied that all potential costs have been taken into account. The net income / reduction in costs is after borrowing costs and an amount for maintenance have been taken into account.

6. What are the legal aspects?

6.1 All contracts for supplies, works and services must be let in compliance with the Council's Procurement and Contract Procedures and the Procurement Act 2023.

7. Monitoring Officer's comments:

7.1 This report raises no issues for the Monitoring Officer.

8. Equality Act 2010 (The Act)

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

9. Carbon Footprint (Environmental) Implications:

9.1 Renewable energy generation through the installation of solar PV arrays, delivers carbon savings as their output replaces alternative fossil fuel based energy sources.

9.2 The new solar installations will reduce GHG emissions arising from the City Council's direct activities (termed Scope 2) as identified in the recent Costed Organisational Carbon Footprint Projections Study.

9.3 Solar PV generation supports the Council's Net Zero ambition, reducing carbon emissions and providing for sustainable services. The project fulfils a key corporate priority at the City Council, it will reduce our own carbon emissions and provide leadership to the city's key partners, businesses, communities, to take action to mitigate and adapt to the impacts of climate change.

10. Report details:

10.1 The City Council owns a solar PV estate with a capacity of over 3.4MW, across 13 corporate buildings. The solar PV installations have successfully provided renewable

energy over several years, delivering long term carbon savings reduced energy bills, and additional income from the sale of surplus energy and existing Feed In Tarriff payments.

10.2 2024, a development grant was awarded by the SW Net Zero Hub, which allowed the Net Zero team to investigate additional solar PV potential across the City Council's corporate estate. A total of 11 buildings were identified and included in the study.

10.3 The grant provided for detailed feasibility, and extensive investigative surveys, allowing for installation and design solutions, overcoming problems that may otherwise have stopped delivery.

10.4 The feasibility work resulted in six City Council buildings being able to proceed to "investment readiness." The feasibility work also provides confidence, the additional work undertaken such as fire and roof condition surveys, protect the project from stalling at a later stage due to unexpected costs.

10.5 All of the six sites can be built and become operational in 2026. It will provide a total of 595 kWp of solar PV. The benefits are significant - buildings will avoid 106,072 CO2 emissions per year, with an annual saving of £99,132. The six sites include:

- Exeter Arena Sports Centre
- St Sidwell's Point Leisure Centre
- Wonford Leisure Centre
- Guildhall Car Park
- Exeter Bus Station
- The Senate Offices

10.6 The feasibility study has supported an innovative programme of new solar PV, by pulling together sites to provide a combined programme of installation. The Business Case set out below, combines five sites into a single project, the consolidated business case can deliver an acceptable Internal Rate of Return (IRR), with borderline projects able to be taken forward.

10.7 The Business case for the Senate Court Offices is separated from the combined programme, pending a Council decision. The total investment for the combined site project is £1,029,500 and single site (Senate Court) £284,000.

10.8 The project includes a PV array at a leased property, providing a renewable supply to Exeter Bus Station. The renewable energy will be sold to the Bus Station operator using a tested Power Purchase Agreement (PPA). The City Council supplies renewable energy from PV arrays at the Matford Centre, Quay Climb Centre and Watt Tyler House, where electricity is sold to leaseholders via a PPA.

10.9 Whilst more than half the sites included in the feasibility will proceed, the remaining five sites have benefited from extensive surveys undertaken. The sites were found to be technically viable but require further works to be done on the buildings, such as

replacement roofs, before installations can take place. These sites will be reviewed as and when necessary and following any change to the building.

10.10 The Solar PV Business Cases set out below include details of the array benefits, and additional costs, including debt repayment charges and future maintenance costs. The Business Case is a 25yr saving, the first-year saving is the net saving after costs / interest and debt repayment have been taken into account.

10.11 The Guildhall Carpark array includes canopy infrastructure and private wire installation costs reflected in the higher estimated capital cost.

10.12 The separate Business Case for Senate includes the estimated roof surface replacement price in the project capital cost. If approval is given for the investment in Senate Court, alternative funding may negate the need for borrowing at this site and remove debt repayment charges, resulting in an improved payback position.

10.13 Solar PV Business Case

Single site			INVESTMENT COSTS & BENEFITS					
Site *Includes new roof covering	System Size (kWp)	Generator Energy kWh/Year	CO2 Emission Avoided (kg/Year)	Payback Period Years/ Months	Estimated Capital Cost (£)	25 Yr Net Saving - Future Value (£)	IRR (%)	Total First Year Saving (£)
Senate Court	84.00	81,425	14,404	16.7	£284,000*	£166,723	3.55%	**£16,121**
Total	**84.00**	**81,425**	**14,404**	**17.6**	**£284,000**	**£166,723**		**£16,121**

Combined Sites			INVESTMENT COSTS & BENEFITS					
Site	System Size (kWp)	Generator Energy kWh/Year	CO2 Emission Avoided (kg/Year)	Payback Period Years/ Months	Estimated Capital Cost (£)	25 Yr Net Saving - Future Value (£)	IRR (%)	Total First Year Saving (£)
Exeter Arena	25.00	24,944	4,411	11.9	£45,000	£56,984	6.99%	**£3,145**
Bus Station	40.00	38,382	6,790	5.3	£36,000	£153,744	19.4%	**£6,577**
The Guildhall Carpark	321.00	330,214	58,436	13.9	£811,000	£730,005	5.31%	**£51,852**
St Sidwell's Point	83.00	80,507	14,242	5.7	£91,300	£405,444	18.55%	**£16,318**
Wonford Leisure Centre	42.00	44,027	7,789	7.2	£46,200	£139,920	14.04%	**£5,119**
Total	**511.00**	**518,074**	**91,668**	**12.4**	**£1,029,500**	**£1,486,098**		**£83,011**

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

11.1 This report and approval for investment in six new solar PV arrays links directly to the Exeter Vision and the City Council's Corporate Plan. The project demonstrates leadership, reduces carbon emissions and secures affordable clean and secure energy.

Exeter Vision	Innovative & Analytical City	A range of data sets are used to monitor City Council carbon emissions and solar PV generation.
	Healthy & Inclusive	Ensure City Council owned buildings have renewable energy sources and carbon reduction.
	The Most active city in the UK	The project includes solar PV arrays at three City leisure sites. Renewable energy provides added benefit, including reduced energy bills, long term income streams, and protection against energy price increases providing for sustainable council services.
	Accessible world- class education	Learnings from the grant funded feasibility study will be shared by the SWNZ Hub to share best practice and lessons learned.
	Liveable & connected	The project supports the local bus operator, to ensure the bus Station is sustainable and has reduced carbon emissions, operating to the best possible standard to reduce effects of climate change.
	A leading sustainable city	The City Council is a role model and demonstrator for solar PV and renewable initiatives.
	City of Culture	The Guildhall Car Park PV array has the potential to feed the RAMM and will support the decarbonisation of City Council owned buildings such as cultural and heritage facilities to support sustainable service provision.
Corporate Plan	Local Economy	Learnings from the grant funded feasibility study will be shared by the SWNZ Hub who work with Building Greater Exeter and Exeter College to support green skills and training and local employment opportunities.
	Sustainable Environment	Net Zero team focuses on reducing City Council GHG emissions to work towards Net Zero. Solar PV supports decarbonisation and energy bills,

		reducing service delivery costs and supporting sustainable council services.
	Homes	The project demonstrates good practice and leadership to communities. It will encourage residents to take action to mitigate the impacts of climate change and benefit from renewable energy.
	People	The solar PV at three leisure sites supports leisure services through provides a long term renewable energy supply, supporting sustainable and affordable facilities needed to ensure cooling and heating when severe weather conditions occur.

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

12.1 The risk of construction cost exceeding predicted costs due to global price increases or availability of solar panels and other electrical infrastructure needed could delay or stop the project

12.2 District Operator Connection agreements can be affected by changes to the National Grid Network and can restrict or prohibit the size of an array.

12.3 Delivery of project on roofs can be affected by severe weather conditions, including heat and storms.

13. Are there any other options?

13.1 If the project does not continue, the City Council would not benefit from long term income streams and ability to reduce our GHG emissions arising from the City Council's direct activities (termed Scope 2) as identified in the recent Costed Organisational Carbon Footprint Projections Study. This would reverse progress made and inhibit the ability to achieve the Council's net zero ambition.

Author: Strategic Director Place, Ian Collinson

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

Background papers used in compiling this report:

None

Exeter City Council

Equality Impact Assessment: Investment Approval for New Solar PV Sites

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

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

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

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

Committee name and date:	**Report Title**	**Decisions being recommended:**	**People with protected characteristics potentially impacted by the decisions to be made:**
Council December 2025	Investment Approval for New Solar PV Sites	Council approves a budget of £1,029,500 for the installation of new solar PV arrays on City Council owned buildings. Council notes, that the proposal in respect of Senate Court will be	

Committee name and date:	Report Title	Decisions being recommended:	People with protected characteristics potentially impacted by the decisions to be made:
		considered in the office relocation report at Council January 2026.	

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

High impact – a significant potential impact, risk of exposure, history of complaints, no mitigating measures in place etc.
Medium impact –some potential impact exists, some mitigating measures are in place, poor evidence
Low impact – almost no relevancy to the process, e.g. an area that is very much legislation led and where the Council has very little discretion

Protected characteristic/ area of interest	Positive or Negative Impact	High, Medium or Low Impact	Reason
Race and ethnicity (including Gypsies and Travellers; migrant workers; asylum seekers).	Negative	**medium**	To support prevention of state-imposed forced labour, including solar panel supply chains in China, the procurement of solar panels will ensure products purchased are resilient, sustainable and free from forced labour.
Disability: as defined by the Equality Act – a person has a disability if they have a physical or mental impairment that has a substantial and long-term adverse impact on their ability to carry out normal day-to-day activities.	Positive	High	Renewable energy provides carbon savings and reduced energy bills, supporting sustainable services provided by the Council which in turn support positive mental health & wellbeing for individuals.

Protected characteristic/ area of interest	Positive or Negative Impact	High, Medium or Low Impact	Reason
Sex/Gender	Neutral	Low	N/A
Gender reassignment			N/A
Religion and belief (includes no belief, some philosophical beliefs such as Buddhism and sects within religions).			N/A
Sexual orientation (including heterosexual, lesbian, gay, bisexual).			N/A
Age (children and young people aged 0-24; adults aged 25-50; younger older people aged 51-75/80; older people 81+; frail older people; people living with age related conditions. The age categories are for illustration only as overriding consideration should be given to needs).	Positive	High	Delivering Net Zero across the city is likely to be embraced by people who live, study, work and socialise in Exeter. The installation of renewable energy projects demonstrates good practice and leadership to communities. It will encourage residents to take action to mitigate the impacts of climate change and benefit from renewable energy. In addition, children in education can learn from action taken locally, and the opportunities for mitigation of climate change.
Pregnancy and maternity including new and breast feeding mothers			N/A
Marriage and civil partnership status			N/A

Actions identified that will mitigate any negative impacts and/or promote inclusion

Officer: Jo Pearce
Date: 26 November 2025

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REPORT TO COUNCIL

Date of Meeting: 9 December 2025

Report of: Strategic Director of Corporate Resources & s151 Officer

Title: Overview of General Fund Revenue Budget 2025/26 – Quarter 2

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 six 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 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 September 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 £2.901 million at year end.

5. Section 151 Officer comments:

5.1 Whilst General Funds reserves are projecting to go under the minimum level set, the section 151 Officer recommends taking no action at this stage. This is because the current estimates of the impact of the new formula funding are such that the position will be rectified in the new financial year. In addition, some of the financial challenges relate to timing of additional income or reductions made and the full year impact will address some of these issues.

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 as at Quarter 2. 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 2

8.1 Financial Summary

FUND	Planned Transfer To / (From) Working Balance £	Budget Variance (More) / Less £	Outturn Transfer 2025/26 £
General Fund	(907,930)	(1,496,589)	(2,404,519)

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

For the 2025/26 financial year, the current forecasts show an overall projected overspend of £610,300 against a revised budget of £21,479,070. This includes supplementary budgets of £5,308,830 already agreed by Council. Variances of more than +/- £30,000 are detailed below:

8.3 **Chief Executive**

Head of Service Area	Budget £	Current Outturn Forecast £	Current Forecast Variance £	Qtr 1 Forecast Variance £
Executive Office	1,611,270	1,589,010	(22,260)	0

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

8.4 **Operations**

Head of Service Area	Budget £	Current Outturn Forecast £	Current Forecast Variance £	Qtr 1 Forecast Variance £
Environment & Waste	5,755,960	5,273,680	(482,280)	(669,120)

- **Environmental Health & Licensing** is showing a forecast underspend of £202k 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.

- The forecast underspend in **Domestic Refuse Collection** has increased. Overall staff spend is still showing a material saving due to the difficulties in recruiting and Fleet is also showing a saving. Non-contractual overtime is still high to cover Saturday shifts.

- After a more detailed analysis of income for Green Waste bin hire – and a successful second quarter - **Waste Chargeable Services** is now showing a positive variance. This will continue to be monitored throughout the year and a further adjustment made in quarter three, if necessary

- **Waste Strategy & Facilities** is showing an underspend of £154k. This is due to supplementary budgets that will not be utilised in-year due to lack of resources

- The overspend in the **Materials Reclamation Facility** has increased, partly due to an accounting error at 2024/25 year-end where expected income was over-accrued; this has now been adjusted in the forecast. Income will continue to be monitored but is still being offset by having to transport materials to secondary MRF's.

Head of Service Area	Budget £	Current Outturn Forecast £	Current Forecast Variance £	Qtr 1 Forecast Variance £
Operations	5,696,000	5,398,580	(317,420)	(225,620)

- The saving in **Parks & Green Spaces** has materially reduced from £122.2k to £44k. Agency costs are still high; however, with recent recruitment into vacant positions, this forecast spend is being monitored and may be reduced in the next

quarter. Premises costs as well as Supplies & Services are forecasting overspends which has also reduced the saving.

- There is no significant variance to report in respect of **Bereavement Services.**

- Similar to Parks, **Street Cleaning** is experiencing difficulties in recruitment, leading material forecast savings against permanent staffing being offset by increases in casual staff spend. This situation will be monitored as vacancies are filled.

- There are no significant variances to report for **Public Conveniences or Engineering Services**

- **Waterways** is now showing a forecast underspend of £208k, this is due to supplementary budgets not being fully utilised within this financial year.

Head of Service Area	Budget £	Current Outturn Forecast £	Current Forecast Variance £	Qtr 1 Forecast Variance £
General Fund Asset Maintenance	1,854,600	2,186,600	332,000	332,000

- **Corporate Support** is forecasting an adverse variance of £332k due to the ongoing issue of vacant office space in the Civic Centre and therefore lower rental income from tenants than budgeted.

- 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 £	Current Outturn Forecast £	Current Forecast Variance £	Qtr 1 Forecast Variance £
Commercial Assets	(11,960,700)	(10,977,240)	983,460	187,250

- **Corporate Property – Estates** is showing a net forecast adverse variance of £695k: The adverse outturn to budget is predominantly driven by:

  - Lower rental income than budget due to empty properties, including Senate Court as the Council makes preparations for a move to the building
  - Delays in leasing units where significant repairs are required
  - Business rates due to empty properties higher than budget
  - Property maintenance costs higher than budget

Guildhall Shopping Centre performance has been impacted by rent reviews on some units resulting in lower rents and the surplus is currently forecast to be slightly adverse to budget.

Excluding the Guildhall Shopping Centre adverse position (which is ring fenced from the General Fund) the true impact on the General Fund is an adverse variance of £647k.

- A net forecast adverse variance of £556k 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.
    - The proposed increase in car parking tariffs for 2025/26 has not been implemented to date (expected November 2025)
    - Car park fire risk assessments not included in budget

  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.

  The adverse position is partially offset by:
    - lower electricity costs, projected to be £196,000 lower than the budget;
    - lower staff costs then budget due to understaffing.
    - 7% increase in car parking charges, estimated implementation November 2025, contributing c£344k additional income.

- **Major Projects** is showing a net forecast favourable variance of £175k. The underspend is due to Civic Centre relocation where the 2nd tranche compensation payment to an in situ tenant is due in 2026/27, partially offset by higher spend on Bus Station site options review than budgeted.

- An underspend of £93k is expected for **Markets**; income from commercial contracts at the Matford Centre continues to outperform the budget. The excess income has been partially 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. The maintenance of the panels has started in 2025/26.

Head of Service Area	Budget £	Current Outturn Forecast £	Current Forecast Variance £	Qtr 1 Forecast Variance £
Finance	4,385,420	4,552,920	467,500	0

- An overspend of £140k is forecast for **Revenues & Benefits.** Since reporting at Quarter 1, a restructure of Local Taxation Services (council tax and business rates) has started with one of the key objectives; to bring an end to heavy reliance on agency officers and permanently recruit a team that is resilient for the future. Advertising of posts has already started, and it is hoped that appointments will start to be made during December. The reported overspend is predominantly due to spend on agency staff, which the restructure is seeking to address.

- **Corporate:** The Rapid Impact Project has identified potential digitalisation savings and efficiencies in relation to Parks and Open Spaces and Waste service areas. A report is pending review by the Strategic Management Board and whilst savings are expected to be delivered, they may not be delivered in this financial year.

- There are no significant variances to report in respect of **Unapportionable Overheads, Financial Services, or Internal Audit** at Quarter 2.

Head of Service Area	Budget £	Current Outturn Forecast £	Current Forecast Variance £	Qtr 1 Forecast Variance £
Legal & Democratic Services	1,771,250	1,699,720	(71,530)	(128,170)

- The forecast underspend in **Elections & Electoral Registration** has reduced to £82.5k. A more accurate forecast for printing & postage costs has been added, including an estimate for the new postal vote refresh exercise, the details of which were not clear at quarter one. Part – but not all – of this cost will be reclaimable and quarter three should give us a better indication of the true cost. Any surplus in Elections 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 £	Current Outturn Forecast £	Current Forecast Variance £	Qtr 1 Forecast Variance £
Customer & Communities	2,429,240	2,158,820	(270,420)	0

- A forecast underspend of £407,820 in the **Exeter Community Grants Programme** is made up of £118,010 ringfenced for Wellbeing Exeter and £135,290 ringfenced for Homes for Ukraine, which will fund Ukraine Wraparound services in 2026/27. These budgets are funded from ear-marked reserves and remaining funding will be re-requested as supplementary budgets, towards this planned spend, in 2026/27.

- There are no significant variances to report for the **Customer Service Centre**

Head of Service Area	Budget £	Current Outturn Forecast £	Current Forecast Variance £	Qtr 1 Forecast Variance £
Digital & Data	2,920,050	2,886,710	(33,340)	0

- There are no significant variances to report for **Digital & Data** or **IT Services.**

Head of Service Area	Budget £	Current Outturn Forecast £	Current Forecast Variance £	Qtr 1 Forecast Variance £
General Fund Housing	2,205,160	2,160,210	(44,950)	0

- A one-off net underspend of £45k is anticipated within **Private Housing** due to vacancies within the team, partly offset with agency costs early in the year.

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

Head of Service Area	Budget £	Current Outturn Forecast £	Current Forecast Variance £	Qtr 1 Forecast Variance £
HR Workforce Planning & OD	945,020	885,450	(59,570)	(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 £	Current Outturn Forecast £	Current Forecast Variance £	Qtr 1 Forecast Variance £
City Centre & Net Zero	1,487,040	1,617,030	129,990	0

- **Net Zero & Business** is forecast to be overspent by £80.4k by year-end, predominantly due to the purchase of new radios in the Business Crime Reduction Unit. However, £82.4k will be transferred from an ear-marked reserve to cover these costs.

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

Head of Service Area	Budget £	Current Outturn Forecast £	Current Forecast Variance £	Qtr 1 Forecast Variance £
City Development	1,726,690	1,445,930	(254,180)	0

- **Building Control & Land Charges** is reporting an underspend of £57k. However, due to movements in reserves, the actual impact on the general fund is only £3,160

- **Planning** is now forecasting a £197k underspend. This is predominantly due to a supplementary budget funded by an earmarked reserve not being utilised fully in year; remaining funding will requested as a supplementary in 2026/27. Planning income is difficult to forecast as it depends on market conditions in the construction industry; however, at quarter two, it is forecast that income will not meet budget therefore a deficit has been included.

- There are no significant variances to report in respect of **Liveable Exeter Garden City.**

Head of Service Area	Budget £	Current Outturn Forecast £	Current Forecast Variance £	Qtr 1 Forecast Variance £
Culture & Leisure	6,028,790	6,282,090	253,300	258,110

- The forecast underspend in **Culture** derives from the Corn Exchange, which is forecasting a surplus of event income.

- A net underspend of £158.5k is forecast for the **Museum Service:**
  - There will be a £31.7k overspend in Museum Projects. However, this will be covered by reserves, reducing the pressure on the general fund
  - The majority of the variance is still due to savings in utilities, a good proportion of which is due to RAMMs Dynamic Energy Management and System Maintenance Improvement Project. However, in the future, the underspend will disappear as utility budgets are reduced, creating the potential for overspends.

- A forecast overspend of £386k is anticipated for **Leisure & Sport,** mostly due to the removal of budgets for Northbrook Pool and Exeter Arena as part of 2025/26 budget savings but partly due to the estate still bearing maintenance costs. The overspend has been mitigated by underspends against utilities. It is proposed to re-instate the Exeter Arena budget for 2026/27.

- There are no significant variances to report for **Tourism**, **Visitor Facilities, Civic Ceremonials and Marketing.**

8.8 **Other Financial Variations**

Net Interest

Interest payable remains on target at Quarter 2, however interest receivable is expected to be £173k 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 £2.405 million, reducing the balance to £2.901 million at year end, this is £199k below the £3.100 million minimum requirement for the General Fund working balance which was approved by Council in February 2025.

Movement	2025/26
Opening Balance, as at 01/04/25	**£5,305,182**
Net	(£2,404,519)
Projected Balance at Year End	**£2,900,663**

8.10 **Supplementary Budgets**

It is proposed that the supplementary budgets identified in Appendix 3 are approved and added to the 2025/26 budget. The budgets are self- financing.

8.11 **Outstanding Sundry Debt**

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

Age of Debt	March 2024	March 2025	September 2025
Up to 29 days (current)	£1,411,457	£1,264,074	£2,203,021
30 days – 1 Year	£2,738,947	£1,689,790	£2,487,080
1 – 2 years	£299,265	£1,005,233	£686,583
2 – 3 years	£273,541	£224,732	£616,966
3 – 4 years	£78,227	£202,422	£222,226
4 – 5 years	£290,834	£58,784	£90,514
5 + years	£340,009	£580,916	£502,804
Total	**£5,432,280**	**£5,025,951**	**£6,809,194**

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 end of September, sundry debt levels for each directorate and service area, were as follows:

Head of Service	Description	Qrt 1 £	Qrt 2 £
Executive Office		**0**	**0**
Commercials Assets *	Predominantly commercial property rents	3,133,337	2,326,890
Finance	Recovery of HB overpayments	7,444	53,040
Legal & Democratic	Election and electoral registration related	6,931	43
Corporate Resources Total		**3,147,713**	**2,379,973**
Environment & Waste	Predominantly trade refuse, recycling and licensing	422,745	182,258
GF Asset Maintenance	Civic centre recharges	17,041	(100)
HRA Asset Maintenance	HRA rechargeable repairs	31,235	31,159
Operations	Predominantly canal, waterway and allotment fees	355,675	454,375
Operations Total		**826,695**	**667,692**
Customer & Communities	Wellbeing Exeter related	45,000	45,000
GF Housing	Predominantly leasehold flat insurance, service charges & DFG	441,075	1,467,452
HR Workforce Planning & OD	Green travel recharges	1,454	901
HRA Housing	Predominantly leasehold flat ground rents	19,044	42,954
People & Communities Total		**506,573**	**1,556,307**
City Centre & Net Zero	Predominantly Home Call alarm service	92,193	87,366
City Development *	Predominantly CIL and Section 106 related	676,212	1,925,497
Culture & Leisure	Predominantly group bookings for leisure services & marketing	270,884	193,123
Place Total		**1,039,289**	**2,205,986**
Total		**5,520,269**	**6,809,958**

*Restated since Qtr 1 to move CIL invoices from the Head of Service, Commercial Assets to the Head of Service, City Development.

In terms of key changes to draw to attention, an invoice of £926k was issued in respect of Disabled Facility Grant funding, £475k in respect of CIL and £703k in respect of Section 106 contributions during September, totalling £2.1m. Hence, the rise in debts up to 29 days old and the overall level of debts.

8.12 **Debt Write-Offs**

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

	2024/25 Total	2025/26 (Qtr 2)
• Council Tax	£280,588	£109,109
• Business Rates *	£5,829	£0
• Sundry Debt	£0	£142,717
• Housing Rents	£51,381	£9,227
• Non-HRA Rents	£33,087	£2,893
• HB Overpayments	£76,146	£73,930

***** 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 95.12% for

the first six months of 2025/26 compared with 96.11% after the first six 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 2 it is forecast that £1.053m of these savings will not be made in year, mainly due to proposals in the Leisure service and digitalisation efficiencies 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

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APPENDIX 1

2025/26 GENERAL FUND BUDGET MONITORING - SUMMARY

QUARTER 2

	Original Budget £	Budgets & Transfers £	Revised Budget £	Year End Forecast £	Variance to Budget £
Chief Executive	1,139,480	471,790	1,611,270	1,589,010	(22,260)
Operations	12,591,810	714,750	13,306,560	12,838,860	(467,700)
Corporate Resources	(6,753,370)	949,340	(5,804,030)	(4,424,600)	1,379,430
People and Communities	6,401,250	2,098,220	8,499,470	8,091,190	(408,280)
Place	8,167,790	1,074,730	9,242,520	9,371,630	129,110
less Notional capital charges	(5,376,720)	0	(5,376,720)	(5,376,720)	0
Service Committee Net Expenditure	16,170,240	5,308,830	21,479,070	22,089,370	610,300
Net Interest	1,475,000		1,475,000	1,648,350	173,350
Revenue Contribution to Capital	88,760		88,760	406,406	317,646
Minimum Revenue Provision	2,702,000		2,702,000	2,702,000	0
General Fund Expenditure	20,436,000	5,308,830	25,744,830	26,846,126	1,101,296
Transfer To/(From) Working Balance	16,370	(924,300)	(907,930)	(2,404,519)	(1,496,589)
Transfer To/(From) Earmarked Reserves	1,447,780	(4,384,530)	(2,936,750)	(2,541,457)	395,293
General Fund Net Expenditure	21,900,150	0	21,900,150	21,900,150	0
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
	0	0	0	0	0

Working Balance	**March 2025**	**£ 5,305,182**	**£ 2,900,663**	**March 2026**

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APPENDIX 2

2025/26 GENERAL FUND BUDGET MONITORING - DETAIL
QUARTER 2

	YEAR END FORECAST			
	APPROVED BUDGET £	CURRENT OUTTURN FORECAST £	CURRENT FORECAST VARIANCE £	QTR 1 FORECAST VARIANCE £
Chief Executive				
Executive Office				
Active & Healthy People	351,800	329,540	(22,260)	0
Strategic Management	1,259,470	1,259,470	0	0
Executive Office Total	**1,611,270**	**1,589,010**	**(22,260)**	**0**
Chief Executive Total	**1,611,270**	**1,589,010**	**(22,260)**	**0**
Operations				
Environment & Waste				
Environmental Health & Licensing	1,031,430	829,200	(202,230)	(188,550)
Domestic Refuse Collection	3,580,250	3,004,720	(575,530)	(310,390)
Waste Chargeable Services	(412,460)	(506,000)	(93,540)	62,940
Waste Strategy & Facilities	569,270	415,040	(154,230)	23,940
Materials Reclamation Facility	987,470	1,530,720	543,250	(257,060)
Environment & Waste Total	**5,755,960**	**5,273,680**	**(482,280)**	**(669,120)**
Operations				
Parks & Green Spaces	2,032,030	1,988,090	(43,940)	(122,170)
Bereavement Services	120,120	106,130	(13,990)	(10,130)
Street Cleaning	1,872,490	1,832,690	(39,800)	(103,980)
Public Conveniences	234,710	231,390	(3,320)	11,710
Engineering Services	752,960	744,680	(8,280)	(1,050)
Waterways	683,690	475,600	(208,090)	0
Operations Total	**5,696,000**	**5,378,580**	**(317,420)**	**(225,620)**
General Fund Asset Maintenance				
Affordable Housing Development	410	410	0	0
Sundry Lands Maintenance	115,670	115,670	0	0
Corporate Property - Assets	1,137,820	1,137,820	0	0
Corporate Support	600,700	932,700	332,000	332,000
General Fund Asset Maintenance Total	**1,854,600**	**2,186,600**	**332,000**	**332,000**
Operations Total	**13,306,560**	**12,838,860**	**(467,700)**	**(562,740)**
Corporate Resources				
Commercial Assets				
Corporate Property - Estates	(4,815,730)	(4,120,340)	695,390	(11,740)
Parking Services	(7,158,280)	(6,602,010)	556,270	132,670
Major Projects	535,250	360,520	(174,730)	6,370
Markets	(521,940)	(615,410)	(93,470)	59,950
Commercial Assets Total	**(11,960,700)**	**(10,977,240)**	**983,460**	**187,250**
Finance				
Revenues & Benefits	2,057,740	2,198,130	140,390	0
Corporate	(55,160)	271,950	327,110	0
Unapportionable Overheads	1,323,690	1,323,690	0	0
Financial Services	937,860	937,860	0	0
Internal Audit	121,290	121,290	0	0
Finance Total	**4,385,420**	**4,852,920**	**467,500**	**0**
Legal & Democratic Services				
Elections & Electoral Registration	664,870	582,400	(82,470)	(133,290)
Democratic Representation	713,540	688,540	(25,000)	(28,230)
Legal Services	257,620	279,570	21,950	21,300
Procurement	135,220	149,210	13,990	12,050
Legal & Democratic Services Total	**1,771,250**	**1,699,720**	**(71,530)**	**(128,170)**
Corporate Resources Total	**(5,804,030)**	**(4,424,600)**	**1,379,430**	**59,080**

	YEAR END FORECAST			
	APPROVED BUDGET £	CURRENT OUTTURN FORECAST £	CURRENT FORECAST VARIANCE £	QTR 1 FORECAST VARIANCE £
People and Communities				
Customer & Communities				
Exeter Community Grants Programme	1,402,780	1,145,050	(257,730)	0
Customer Service Centre	1,026,460	1,013,770	(12,690)	0
Customer & CommunitiesTotal	**2,429,240**	**2,158,820**	**(270,420)**	**0**
Digital & Data				
Digital & Data	284,260	255,920	(28,340)	0
IT Services	2,635,790	2,630,790	(5,000)	0
Digital & Data Total	**2,920,050**	**2,886,710**	**(33,340)**	**0**
General Fund Housing				
Housing Needs & Homelessness	2,020,880	2,020,880	0	0
GF Housing - Property	121,640	121,640	0	0
Private Housing	62,640	17,690	(44,950)	0
General Fund Housing Total	**2,205,160**	**2,160,210**	**(44,950)**	**0**
HR Workforce Planning & Organisational Development				
Transportation	0	(50,000)	(50,000)	(50,000)
Human Resources	870,650	861,080	(9,570)	0
Organisational Change Programme	74,370	74,370	0	0
HR Workforce Planning & OD Total	**945,020**	**885,450**	**(59,570)**	**(50,000)**
People & Communities Total	**8,499,470**	**8,091,190**	**(408,280)**	**(50,000)**
Place				
City Centre & Net Zero				
Net Zero & Business	860,540	940,900	80,360	0
CCTV & Homecall	572,760	593,390	20,630	0
Community Safety	53,740	82,740	29,000	0
City Centre & Net Zero Total	**1,487,040**	**1,617,030**	**129,990**	**0**
City Development				
Building Control & Land Charges	72,530	15,310	(57,220)	0
Planning	1,302,760	1,105,800	(196,960)	0
Liveable Exeter Garden City	351,400	351,400	0	0
City Development Total	**1,726,690**	**1,472,510**	**(254,180)**	**0**
Culture & Leisure				
Culture	471,450	419,400	(52,050)	(10,370)
Tourism	0	26,180	26,180	0
Museum Service	2,670,550	2,512,070	(158,480)	(161,350)
Leisure & Sport	2,375,160	2,761,130	385,970	443,670
Visitor Facilities	91,830	86,670	(5,160)	(9,190)
Civic Ceremonials	260,020	288,300	28,280	24,790
Communications	159,780	188,340	28,560	(29,440)
Culture & Leisure Total	**6,028,790**	**6,282,090**	**253,300**	**258,110**
Place Total	**9,242,520**	**9,371,630**	**129,110**	**258,110**
TOTAL GENERAL FUND NET EXPENDITURE	**26,855,790**	**27,466,090**	**610,300**	**(295,550)**

APPENDIX 3

SUPPLEMENTARY BUDGET REQUESTS - QUARTER 2

Supplementary Budgets

Description	£	Funded by:
Additional RSPARG (Rough Sleeping Prevention and Recovery Grant) funding	(407,050)	External grant income
Additional RSPARG expenditure	407,050	Expenditure funded by external grant
Total	**0**	

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Appendix 4

Monitoring Budget Reductions - 2025/26 Quarter 2 Update

Service	Description/Proposal	2025/26 Budget Reduction/ (increase)	Quarter 2 Forecast	Variance (shortfall)	Comment
Leisure					
Culture & Leisure	Close Northbrook Pool	286,000	145,840	(140,160)	Close down bought forward to end of September
Culture & Leisure	Exeter Arena - seek an asset transfer opportunity	300,000	0	(300,000)	Arena continues to operate as normal; budget to be returned in 2026/27
Culture & Leisure	Increase Marketing income	20,000	20,000	0	Income target forecast to be achieved; however, bad debt may decrease the overall amount received if it cannot be reversed
Culture & Leisure	Decrease Tourism costs	29,000	7,250	(21,750)	Completion not expected until end of Dec 2025 therefore only one quarter saving forecast
Car Parks					
Commercial Assets	RingGo transaction charge passed to customer	80,000	40,000	(40,000)	Estimated savings calculated based on changes being implemented in November 2025
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	110,000	82,000	Expected to exceed reduction due to continued overperformance of auctioneer income against budget
Operations					
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
General Find Housing					
General Fund Housing	Additional HMO income	20,000	20,000	0	At quarter 2 the additional licence income for HMOs has been 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 2
Other					
City Centre & Net Zero	Carbon Literacy Training - sell training sessions to local organisations	20,000	0	(20,000)	Staffing issues have led this training programme to be delayed until 26/27
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.
SUBTOTAL SERVICE REVIEW REDUCTIONS		**1,544,350**	**956,440**	**(587,910)**	
Culture & Leisure	Remove duplication in Culture Service	200,000	50,000	(150,000)	Completion not expected until end of Dec 2025 therefore only one quarter saving forecast
Miscellaneous	Stop budgeting for Pension Contributions where individual is not in Pension Scheme	98,310	83,590	(14,720)	Small variance expected at quarter 2
Miscellaneous	Implement digitalisation to improve efficiency - up to £1.2m over 3 years (£0.3m in year 1)	300,000	0	(300,000)	The Rapid Impact Project has identified potential digitalisation savings and efficiencies in relation to Parks and Open Spaces and Waste service areas. A report is pending review by the Strategic Management Board and whilst savings are expected to be delivered, they may not be delivered in this financial year.
SUBTOTAL OTHER PROPOSALS		**598,310**	**133,590**	**(464,720)**	
TOTAL		**2,142,660**	**1,090,030**	**(1,052,630)**	

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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
Operations			
Environment & Waste (Revenue)	£5,755,960		There have been significant challenges in recruiting permanent members of staff, resulting in large underspends across both Environmental Health & 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 31st March 2026, additional recruitment may result in vacancies being filled. 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.
General Fund Asset Maintenance	£1,954,600		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.

Service	2025/26 Approved Budget	Risk Rating	Risk and mitigation
Corporate Resources			
Corporate Property – Estates	(£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 has been impacted by rent reviews and a net income slightly adverse to Budget is expected however any surplus that may be generated cannot be used for General Fund expenditure.
Parking Services	(£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.
Revenues and Benefits 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
Place			
Leisure & Sport (Revenue)	£2,375,160		At quarter two, the forecast overspend in Leisure has reduced to £385,970. This is mainly due to two centres (Northbrook Swimming Pool and Exeter Arena) having their annual budgets removed as part of the 25/26 budget setting process. Northbrook was closed by the end of September and handed back to the Northbrook Trust on the first October. Therefore, all costs associated with the closure that ECC are liable for should all be recognised now. 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.

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: 9 December 2025

Report of: Strategic Director of Corporate Resources & s151 Officer

Title: 2025/26 General Fund Capital Monitoring Statement – Quarter 2

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 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.

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 Progress with delivering the General Fund capital programme remains weak. In order to address this SMB have set up a Capital and Projects Board, chaired by the Chief Executive to drive forward progress.

5.2 There are a number of requests for additional funding, which will address some long standing issues. They will be funded through a mix of external Grant and borrowing.

6. What are the legal aspects?

6.1. Monitoring of capital expenditure is required 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. Equality Act 2010 (The Act)

8.1. 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.

9. Carbon Footprint (Environmental) Implications:

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

10. REPORT DETAILS:

10.1. 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
Revised Capital Programme, as reported to Council 10 June 2025	**50,402,170**	
Replacing Payment Equipment (John Lewis and Guildhall car parks)	£210,000	Approved by Council 2 September 2025

Revised Capital Programme	**50,612,170**	

10.2. **PERFORMANCE**

The revised capital programme for the current financial year is £50.612 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 £36.781 million budget the spend during the first six months of the year was £1.759 million, which equates to 4.78% of the revised programme. This compares with £2.899 (11.72%) that was spent in the first six 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 £20.988 million with £13.379 million of the programme potentially being deferred to 2026/27 and beyond and £2.414 million potential saving.

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.

10.3. **AVAILABLE CAPITAL RESOURCES**

The available capital resources for the General Fund for 2025/26 are £16.765 million. An estimated spend of £25.864 million is required of which £16.036 million will be funded from borrowing with £6.937 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 £
Balance as at 30 June 2025	**155,000**
New Receipts	826,606
Balance as at 30 September 2025	**981,606**

10.4. **EXPENDITURE VARIANCES**

The main variances and issues concerning expenditure are as follows:

Scheme	**Variance £**

Parks Anti-Intrusion Measures	**£40,000**
Bonhay Road/Andlaw House Footpath	**(£40,000)**
Officer Responsible: Head of Service – Operations The Bonhay Road/Andlaw House Footpath scheme will underspend this year to compensate for an overspend on the Parks Anti-Intrusion Measures project.	
Farm Hill Retaining Walls (23 no.)	**(515,456)**
Officer Responsible: Head of Service – Operations Budget estimates were derived from initial surveys of all retaining walls at Farm Hill which might require the Council's intervention, however a detailed review of land ownership in the area led to a significant reduction in scope.	
District Street Lighting	**(£346,140)**
Officer Responsible: Head of Service – Operations The District Street Lighting scheme is dependent on Devon County Council's supplier's timescales for completing this work, and budget has been held for some time in anticipation. A reassessment of the cost to complete this project has determined that budget held by the Council was in excess of the now anticipated costs, so a saving of £346k is expected.	
Scheme	**Variance £**
BLRF - Exeter Canal Basin	**(£589,400)**
BLRF - Belle Isle	**(£661,870)**
BLRF – Lower Wear Road	**(£293,390)**
Officer Responsible: Head of Service – Commercial Assets Despite feasibility work undertaken by the Council the developments at Belle Isle, Exeter Canal Basin and Lower Wear Road weren't feasible for residential development in the short term, as required by the grant conditions set out within the Brownfield Land Release Fund (BLRF). Therefore, these budgets which amount to £1.545 million will not be spent and grant money returned.	

10.5. **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:

Scheme	**Budget to be Deferred £**
Depot Improvement Works	**7,516,560**
Officer Responsible: Head of Environment and Waste	

The waste depot improvement works including the MRF budget has been re-profiled in-line with estimated project spend. Key contractors have not yet been procured, so it is anticipated that works will not start until the next financial year.

Scheme	Budget to be Deferred £
Bowling Green Marshes Coastal Defence Scheme	**168,390**
Cricklepit Bridge	**84,000**
District Street Lightning	**200,000**
Bromhams Farm Playing Fields	**29,669**
Mallison Bridge	**35,630**
Bonhay Rd/Andlaw House Footpath	**104,815**
Landfill Gas Extraction Systems	**76,101**
ECC Bridge Repair Programme	**263,745**
Riverside Walls at Quay	**50,000**

Officer Responsible: Engineering & Assets Manager

Following an unsuccessful procurement exercise for the Bowling Green Marshes Coastal Defence Scheme an alternative approach has been selected which has required re-scoping and redesigning the project before procurement can commence. The new project approach will have lower cost but will also have a longer duration, taking it into the next financial year.

The next inspection of Cricklepit bridge is due in 2026/27, no works are expected before the inspection takes place.

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.

Main phase of Bromhams Farm Playing Fields works are complete, the deferral reflecting the longer contract duration agreed at tender stage to cover an extended period of ongoing establishment maintenance.

Due to overall project budget increases, Devon County Council are still exploring options for delivery of Mallison Bridge. Works will not be carried out in 2025/26, so budget for Exeter City Council's contribution to this project is being deferred to next financial year.

Works are not expected to be carried out on Bonhay Rd/Andlaw House Footpath this financial year.

The landfill gas extraction project is expected to progress during the year but previous delays due to the need for additional wintertime monitoring of boreholes is likely to defer some of the works into the next financial year.

Devon Highways have dictated that some bridge works cannot start until after April 2026 due to other highways works on-going in the city, therefore budget has been reprofiled to next year in accordance with expected project dates.

It is not expected that Devon County Council will start works on the Riverside walls at the Quay in 2025/26, so budget for Exeter City Council's contribution to this project is being deferred to next financial year.

Scheme	Budget to be Deferred £
Parks Infrastructure	**135,083**
Cemeteries & Churchyards Infrastructure Improvements	**90,608**
Pinhoe Playing Field Upgrades	**19,934**
Heavitree Paddling Pools	**100,010**
Play Areas	**136,730**
Outdoor Leisure Facilities - Newcourt	**121,270**

Officer Responsible: Parks & Green Spaces Parks

Parks Infrastructure and Cemeteries and Churchyard infrastructure, timings of spend against the scheme are dependent on either deterioration of existing assets or the availability of suppliers to provide facilities required.

Pinhoe Playing fields were subject to substantive surface and drainage works. The deferment of current capital is a result of the remaining works being seasonal.

Works on Heavitree Paddling Pools are expected to progress when the new contract starts in the next financial year.

Play areas improvements and outdoor leisure facilities works had to be paused temporarily to allow for contract procurement. Anticipated contract start date is now March 2026 and budgets have been deferred to reflect this delay.

Scheme	Budget to be Deferred £
BLRF - Clifton Hill	**201,930**
St Nicholas Priory Roof	**88,120**
Guildhall Shopping Centre Enhancements	**£8,866,630**

Officer Responsible: Head of Commercial Assets

Clifton Hill is dependent on the planning process, but it is now expected that the grant will be spent in Autumn 2026.

The Council is awaiting a further progress update from the tenant at St Nicholas Priory to determine the scope and timeline of the project and what level of grant funding is being secured. This is not expected to be until the next financial year. The Guildhall shopping centre enhancements budget is recognised as a scheme with external factors that impact on delivery time. Whilst the exact timeline of spend is uncertain due to external factors such as changing tenants and ad-hoc works required to maintain the building, it is recognised at the half-year stage that not all the budget will be required in 2025-26 and the budget has been reprofiled to reflect this.	
Scheme	**Budget to be Deferred £**
Riverside Decarbonisation Project	**4,045,290**
Officer Responsible: City Centre and Net Zero The profile of the grant award for the Riverside & RAMM decarbonisation project has been confirmed and the budget allocated accordingly with a required completion date by 31 March 2028.	

10.6. **FURTHER FUNDING REQUESTS**

Replacing CCTV Equipment (John Lewis Car Park) (£23,700)

Funding is required for the replacement of 10 broken CCTV cameras at John Lewis car park.

Replace broken and analogue City Centre CCTV cameras (£42,556)

The Council has received an allocation of UK Shared Prosperity Funding (UKSPF) for the city. This funding is being used to replace broken and analogue City Centre CCTV cameras.

Trews Weir remedial works (£2,778,272)

Grant funding has been allocated by the Environment Agency, subject to business case assurance processes, to carry out the required remedial works on Trews Weir. Works are expected to take place Spring to Winter 2026.

The additional funding above has been allocated by the Environment Agency. Budget estimates are based on current assumptions of working methods which are still being refined, so provide a current best estimate but may be liable to change as the scheme design is finalised.

Matford Centre Solar PV (£175,000)

Additional funding is required to complete phase 2 and 3 of the Matford Centre solar array PV maintenance and roof access safety works. These works involve updating the PV installation and associated equipment. In addition, a ‘man safe’ system is being installed to ensure safety of future maintenance works. Phase 1 has been successfully completed. It is envisaged that works will be completed by end of March 2026.

Ramm conference room equipment (£70,000)

To prepare the RAMM conference room to hold full Council meetings. To procure appropriate furniture and undertake necessary AV work.

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

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

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

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

13. Are there any other options?

There are no other options.

Strategic Director of Corporate Resources & s151 Officer, Dave Hodgson

Author: Kayleigh Searle

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

Background papers used in compiling this report:

None

List of appendices:

Appendix 1: 2025/26 CAPITAL MONITORING - QUARTER 2

Appendix 2: BUDGETS CARRIED FORWARD TO 2026/27 AND BEYOND

Appendix 3: GENERAL FUND AVAILABLE RESOURCES

APPENDIX 1

2025/26 CAPITAL MONITORING - QUARTER 2

Service	Scheme	Total 2025/26 Capital Programme	2025/26 Spend to Quarter 2	2025/26 Forecast Spend	2025/26 Budget to be Carried Forward to 2026/27 and Beyond	2025/26 Programme Variances (Under)/Over
		£	£	£	£	£
Operations						
Environment & Waste	Waste Infrastructure	376,340	17,695	376,340	0	0
	Improved recycling containers	11,670	11,670	11,670	0	0
	Depot Improvement Works	7,816,560	52,755	300,000	7,516,560	0
	Food Waste Collections	857,140	34,173	857,140	0	0
	Noise Monitoring Equipment	4,290		4,290	0	0
Operations Service	Capitalised Staff Costs	211,193		211,193	0	0
	Bowling Green Marshes Coastal Defence Scheme	218,390	0	50,000	168,390	0
	Parks Infrastructure	180,110	9,950	45,028	135,083	0
	Cemeteries & Churchyards Infrastructure Improvements	120,810		30,203	90,608	0
	Bank Repairs & Stabilisation to Watercourses	19,230		19,230	0	0
	Pinhoe Playing Field Upgrades	38,900	1,942	19,450	19,450	0
	Parks Anti-Intrusion Measures	10,706	15,822	50,706	0	40,000
	Cricklepit Bridge	91,970		0	84,000	(7,970)
	Trews Weir refurb	337,580	61,956	337,580	0	0
	District Street Lighting	746,140		200,000	200,000	(346,140)
	Exeter Quay Cellars cliff face	34,377		34,377	0	0
	Ash Die Back Tree Replacement	82,520	24,754	82,520	0	0
	Fleet Lease costs	1,251,280		1,251,280	0	0
	Bromhams Farm Playing Fields	59,669	17,923	30,000	29,669	(0)
	Longbrook Street wall behind 30-38	5,000		5,000	0	0
	Northbrook Wild Arboretum	221,560	19,910	221,560	0	0
	Farm Hill Retaining Walls (23 no.)	515,456		0	0	(515,456)
	Mallison Bridge	35,630		0	35,630	0
	Bonhay Rd/Andlaw House Footpath	144,815		0	104,815	(40,000)
	St James' Weir & Ducks Marsh Meadow banks	75,000		75,000	0	0
	Heavitree Paddling Pools	100,010		0	100,010	0
	Play Areas	273,460		136,730	136,730	0
	Landfill Gas Extraction Systems	176,101		100,000	76,101	0
	Mincinglake Valley Park Reed Beds & Pipe Inlet	70,525		70,525	0	0
	Exeter Canal Bank Repairs	43,300		43,300	0	0
	ECC Bridge Repair Programme	463,745	82,973	200,000	263,745	(0)
	Countess Wear Retaining Wall Rebuild	29,323	17,038	29,323	0	0
	Canal Basin Bridge Refurbishment	50,000		50,000	0	0
	Outdoor Leisure Facilities - Newcourt	121,270		0	121,270	0
	Riverside Walls at Quay	50,000		0	50,000	0

Service	Scheme	Total 2025/26 Capital Programme	2025/26 Spend to Quarter 2	2025/26 Forecast Spend	2025/26 Budget to be Carried Forward to 2026/27 and Beyond	2025/26 Programme Variances (Under)/Over
		£	£	£	£	£
Asset Maintenance	Leisure Complex - Build Project	650,000	7,425	650,000	0	0
	Civic Centre Air Conditioning Replacement	25,000		25,000	0	0
	Riverside Leisure Centre	29,000		29,000	0	0
	Fire Risk Assessment Works	1,624,510	27,690	1,624,510	0	0
	Leisure Complex - Fit Out	346,640	0	346,640	0	0
	Exmouth Buoy Store	212,720		212,720	0	0
	Riverside Sports Hall Roof	60,870		60,870	0	0
	Guildhall MSCP	883,400		883,400	0	0
	John Lewis MSCP	357,760		357,760	0	0
	Princesshay 2 MSCP	424,400		424,400	0	0
	Leighton Terra & KW St MSCP	306,100		306,100	0	0
	Civic Centre Phase 3 Roof Rep	15,700	9,069	15,700	0	0
	City Wall	554,190	236,734	554,190	0	0
	Backlog Maintenance	396,850	56,342	396,850	0	0
	Cathedral Green Display Cases	35,000		35,000	0	0
	Topsham Museum	257,070	140,418	257,070	0	0
	Leisure Property enhancements	2,027,010	59,386	2,027,010	0	0
	Commercial Property Ancillary Accommodation flat roof recovering	46,720		46,720	0	0
	RAMM Roof Repair & Insulation	72,530	5,429	72,530	0	0
	Corn Exchange Lift	50,000		50,000	0	0
TOTAL		**23,219,540**	**911,055**	**13,217,914**	**9,132,059**	**(869,567)**
Corporate Resources						
Commercial Assets	Bus Station Construction	100,370	3,843	100,370	0	0
	Improved Car Park Security Measures at King William Street & Arena Park	19,670		19,670	0	0
	Wat Tyler House - resolving ongoing water ingress with new rainwater system	269,170		269,170	0	0
	Commercial Properties - capital improvements to enable ongoing income (compliance with EPC legislation)	120,000		120,000	0	0
	BLRF - Exeter Canal Basin	589,400		0	0	(589,400)
	BLRF - Mary Arches Car Park	1,285,420		1,285,420	0	0
	BLRF - Belle Isle	661,870		0	0	(661,870)
	BLRF - Clifton Hill	201,930		0	201,930	0
	BLRF - Lower Wear Road	293,390		0	0	(293,390)
	Paris Street Car Park	75,000		75,000	0	0
	Matford Centre Solar PV	58,000	47,830	58,000	0	0
	Car Park pay equipment	210,000		210,000	0	0
TOTAL		**3,884,220**	**51,673**	**2,137,630**	**201,930**	**(1,544,660)**

Service	Scheme	Total 2025/26 Capital Programme	2025/26 Spend to Quarter 2	2025/26 Forecast Spend	2025/26 Budget to be Carried Forward to 2026/27 and Beyond	2025/26 Programme Variances (Under)/Over
		£	£	£	£	£
People & Communities						
Digital & Data	Customer Contact Platform	155,540	57,814	155,540	0	0
	Annual Contribution to Strata	53,910	53,904	53,910	0	0
	Financial Management	160,140	25,499	160,140	0	0
	Datacentre Relocation	35,940		35,940	0	0
	NCSC Zero Trust	53,910		53,910	0	0
	IT Replacement Programme	10,000	7,324	10,000	0	0
	Core telephony	16,850	2,336	16,850	0	0
	EUC model equipment (replacement laptops)	309,550	137,926	309,550	0	0
	Booking	17,970		17,970	0	0
	Chatbot	17,970		17,970	0	0
	Print & post review	7,190		7,190	0	0
	PSTN Replacement	27,770	3,142	27,770	0	0
	ECC Civic Centre HFX Door Access Replacement	35,100	13,102	35,100	0	0
	System Upgrade Cost 2012 Server replacement	3,380	1,129	3,380	0	0
	Microsoft Purview	9,000		9,000	0	0
	Microsoft Power Apps	30,000		30,000	0	0
	Software Upgrade	101,050	14,931	101,050	0	0
	Sharegate	3,400		3,400	0	0
	SharePoint- wider rollout	89,840	8,135	89,840	0	0
	Health and Safety	26,950		26,950	0	0
	GIS Cloud migration	5,620		5,620	0	0
	EzyTreev	10,000		10,000	0	0
	Mobile Working Replacement	17,970		17,970	0	0
	iTrent on Prem to iTrent Hosted	35,940		35,940	0	0
	Azure Migration Prof Services	53,900		53,900	0	0
	Transformational Staffing Costs	79,060		79,060	0	0
	Telephony	29,770		29,770	0	0
	Dark Fibre Migration	15,000		15,000	0	0
	Civic Centre ICT fit-out	30,000	11,370	30,000	0	0
Housing	Disabled Facility Grants	1,216,990	453,231	1,216,990	0	0
TOTAL		**2,659,710**	**789,843**	**2,659,710**	**0**	**0**
Place						
City Centre & Net Zero	CCTV improvements	7,980		7,980	0	0
	Riverside & RAMM Decarbonisation Phase 4	4,395,290	5,200	350,000	4,045,290	0
	Riverside & RAMM Decarbonisation Projects	900,150		900,150	0	0
Culture & Leisure	Leisure Equipment Replacement Programme	438,090	762	438,090	0	0
	Pinhoe Community Hub	1,276,470		1,276,470	0	0
TOTAL		**7,017,980**	**5,962**	**2,972,690**	**4,045,290**	**0**
SUB TOTAL PLANNED CAPITAL PROGRAMME		**36,781,450**	**1,758,534**	**20,987,944**	**13,379,279**	**(2,414,227)**

Service	Scheme	Total 2025/26 Capital Programme	2025/26 Spend to Quarter 2	2025/26 Forecast Spend	2025/26 Budget to be Carried Forward to 2026/27 and Beyond	2025/26 Programme Variances (Under)/Over
		£	£	£	£	£
APPROVED COMMITTED SCHEMES WITH EXTERNAL FACTORS THAT IMPACT ON DELIVERY TIMESCALES						
Asset Maintenance	Green Space Depot Site (Belle Isle)	2,875,970		2,875,970	0	0
Commercial Assets	Guildhall Shopping Centre Enhancements	10,866,630		2,000,000	8,866,630	0
	St Nicholas Priory Roof	88,120		0	88,120	0
TOTAL		**13,830,720**	**0**	**4,875,970**	**8,954,750**	**0**
GENERAL FUND SERVICES TOTAL		**50,612,170**	**1,758,534**	**25,863,914**	**22,334,029**	**(2,414,227)**

APPENDIX 2

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
		£	£	£	£	£
Operations						
Environment & Waste	Depot Improvement Works		7,516,560		7,516,560	
Operations Service	Capitalised Staff Costs	150,000	0		150,000	150,000
	Bowling Green Marshes Coastal Defence Scheme	217,870	168,390		386,260	
	Parks Infrastructure	75,000	135,083		210,083	
	Cemeteries & Churchyards Infrastructure Improvements		90,608		90,608	
	Pinhoe Playing Field Upgrades		19,450		19,450	
	Cricklepit Bridge		84,000		84,000	
	Trews Weir refurb	3,099,510	0		3,099,510	
	District Street Lighting	200,000	200,000	(200,000)	200,000	200,000
	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		29,669	(15,000)	14,669	15,000
	Farm Hill Retaining Walls (23 no.)	265,000	0		265,000	
	Mallison Bridge		35,630		35,630	
	Bonhay Rd/Andlaw House Footpath		104,815		104,815	
	Heavitree Paddling Pools	426,680	100,010		526,690	
	Play Areas	166,900	136,730		303,630	
	Landfill Gas Extraction Systems	80,000	76,101		156,101	
	Mincinglake Valley Park Reed Beds & Pipe Inlet	100,000	0		100,000	
	ECC Bridge Repair Programme	200,000	263,745		463,745	
	Oxford Road Car Park Retaining Wall	200,000	0		200,000	
	Outdoor Leisure Facilities - Newcourt		121,270		121,270	
	Riverside Walls at Quay		50,000		50,000	
TOTAL		**7,744,430**	**9,132,059**	**(215,000)**	**16,661,489**	**2,431,520**
Corporate Resources						
Commercial Assets	BLRF - Clifton Hill		201,930		201,930	0
TOTAL		**0**	**201,930**	**0**	**201,930**	**0**
People & Communities						
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
TOTAL		**1,013,910**	**0**	**0**	**1,013,910**	**1,013,910**

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
		£	£	£	£	£
Place						
City Centre & Net Zero	Riverside & RAMM Decarbonisation Phase 4		4,045,290	(1,454,000)	2,591,290	1,454,000
Culture & Leisure	Leisure Equipment Replacement Programme	100,000	0		100,000	100,000
TOTAL		**100,000**	**4,045,290**	**(1,454,000)**	**2,691,290**	**1,554,000**
SUB TOTAL PLANNED CAPITAL PROGRAMME		**8,858,340**	**13,379,279**	**(1,669,000)**	**20,568,619**	**4,999,430**
APPROVED COMMITTED SCHEMES WITH EXTERNAL FACTORS THAT IMPACT ON DELIVERY TIMESCALES						
Commercial Assets	Guildhall Shopping Centre Enhancements		8,866,630	(6,866,630)	2,000,000	6,866,630
	St Nicholas Priory Roof		88,120		88,120	
TOTAL		**0**	**8,954,750**	**(6,866,630)**	**2,088,120**	**6,866,630**
GENERAL FUND SERVICES TOTAL		**8,858,340**	**22,334,029**	**(8,535,630)**	**22,656,739**	**11,866,060**

APPENDIX 3

GENERAL FUND AVAILABLE RESOURCES

GENERAL FUND	2025-26 £	2026-27 £	2027-28 £	FUTURE YEARS £	TOTAL £
CAPITAL RESOURCES AVAILABLE					
Capital Receipts Brought Forward	0				0
GF Capital Receipts	10,269,506	3,375,000	0	0	13,644,506
Revenue Contributions to Capital Outlay	406,406	35,630	0	0	442,036
Disabled Facility Grant	1,216,990	800,000	800,000	800,000	3,616,990
Community Infrastructure Levy	1,815,042	6,848,504	0	0	8,663,546
Other - Grants/External Funding/Reserves/S106	3,057,461	4,067,433	1,454,000	0	8,578,894
Total Resources Available	**16,765,405**	**15,126,567**	**2,254,000**	**800,000**	**34,945,972**
GENERAL FUND CAPITAL PROGRAMME					
Capital Programme	50,612,170	8,858,340	3,330,430	1,263,910	64,064,850
Overspends/(Savings)	(2,414,227)				(2,414,227)
Slippage	(22,334,029)	13,798,399	8,535,630		0
Total General Fund	**25,863,914**	**22,656,739**	**11,866,060**	**1,263,910**	**61,650,623**

UNCOMMITTED CAPITAL RESOURCES:					
Capital Receipts Brought Forward	0	6,937,416	7,468,596	5,263,146	0
Resources in Year	16,765,405	15,126,567	2,254,000	800,000	34,945,972
Less Capital Receipts to carry forward	(6,937,416)	(7,468,596)	(5,263,146)	(5,263,146)	(5,263,146)
Less Spend in Year	(25,863,914)	(22,656,739)	(11,866,060)	(1,263,910)	(61,650,623)
Borrowing Requirement	**16,035,925**	**8,061,352**	**7,406,610**	**463,910**	**31,967,797**

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REPORT TO COUNCIL

Date of Meeting: 9 December 2025

Report of: Strategic Director - Corporate Resources

Title: 2025/26 Housing Revenue Account Budget Monitoring Report – Quarter 2

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 six 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; and
- The revision of the HRA Capital Programme to reflect the reported variations detailed in Appendix 4.

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 second 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 is nothing significant to highlight to Members in the HRA report at this stage.

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.

8. Equality Act 2010 (The Act)

8.1 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.

9. Carbon Footprint (Environmental) Implications:

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

10. Report details:

HRA BUDGET MONITORING – QUARTER 2

10.1 **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.

10.2 **Projected transfer from the working balance**

2025/26 Budget	£
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
Approved Budgeted transfer from the working balance	**(561,070)**
Supplementary budgets – Council approved 10th June 2025	(19,000)
Reduction in internal decorations revenue to fund increase in capital programme – Council approved 2nd September	157,000
Revised Budgeted transfer from the working balance	**(423,070)**

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 2 indicate that £212,400 will be taken from the working balance in 2025/26 – See appendix 2. This represents a movement of £210,670 compared to the revised budget £423,070. Variances are detailed below:

Budget Heading	**Forecast Outturn Budget Variance at Quarter 1 (Under) / Overspend**	
	Qtr 1	**Qtr 2**
Management	**£0**	**(£45,000)**
Officer Responsible: Interim Head of Housing & Head of Asset Maintenance • Grant is being received in year to compensate for additional employer's National Insurance contributions.		
Tenancy Services	**£0**	**(£140,670)**
Officer Responsible: Interim Head of Housing • There are anticipated one off salary savings across the Tenancy services, Lettings and Income Recovery teams due to unfilled vacancies during the year.		

Repairs and Maintenance Programme	**£0**	**(£60,000)**
Officer Responsible: Head of Asset Maintenance • Due to delays in the procurement of the Planned Works contract which commenced in October there will be in-year underspends of £45k on re-pointing works and £15k on asbestos surveys.		
Housing Assets	**£0**	**£35,000**
Officer Responsible: Head of Asset Maintenance • An additional £35k is required for consultancy support with the audit of Social Housing Decarbonisation Fund claims.		
Total budget (underspend)/overspend	**£157,000**	**(£210,670)**
2025/26 HRA Deficit / (Surplus)	**£423,070**	**£212,400**

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:

Movement	2025/26
Opening HRA Working Balance, as at 1 April 2025	£4,905,388
Forecast transfer (from) / to the working balance for 2025/26	(£212,400)
Balance resolved to be retained (HRA contingency)	(£3,525,000)
Forecast Balance Available, as at 31 March 2026	**£1,167,988**

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

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 £1,134,690. This is due to additional Right to Buy receipts received and a projected revenue underspend.

Total available reserves over the MTFP are now expected to be £4,306,716 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.

In addition, it is planned to enter into long-term lease arrangements for a number of properties which will sit within HRA stock to help alleviate pressures on the Temporary Accommodation budget, and the £2.6 million capitalised value of these lease payments will be 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
HRA Capital Programme	**£16,344,475**	

Budgets carried forward from 2024/25 HRA Capital Programme	£1,802,599	Council – 10th June 2025
Additional approvals 2024/25 outturn	£3,520,792	Council – 10th June 2025
Additional approvals Q1	£687,000	Council – 2nd September 2025
Revised HRA Capital Programme	**£22,354,866**	

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

The appendix shows a total forecast spend in 25/26 of £19,417,866. The details of key (greater than +/- £30k) variances from budget are set out below.

Scheme	Overspend / (Underspend)
Communal Area Improvements – New Flooring	**(£35,000)**
Officer Responsible: Head of Asset Maintenance • The amount spent on communal flooring works can be reduced in order to offset the additional consultancy revenue costs required in 8.3 above.	

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

Scheme	Budget deferred to/(brought forward from) future years
Energy Conservation	**£550,000**
Porch canopies	**£35,000**
Central heating – Abbeville & Hamlin	**£520,000**
Officer Responsible: Head of Asset Maintenance • The contract for Planned Works has commenced in October. There has been little spend in the first half of the year retrofit works or porch canopies so the balances have been re-profiled over the next two financial years.	

• The replacement of central heating at Abbeville and Hamlin is likely to be conducted in 2026/27 once other works on site are complete.	
Laings	**£1,800,000**
Officer Responsible: Head of Asset Maintenance • There is unlikely to be more than £350k spent on these refurbishments by the end of April, however the scheme will complete in 2026/27.	

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 2. The budgeted transfer from working balance is £7,000 during 2025/26.

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

11.1 The Housing Revenue Account contributes to the strategic priorities of Homes and People as set out in the Corporate Plan 2025-2028.

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

12.1 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 £3.525 million to mitigate against financial risks.

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

13. Are there any other options?

13.1 None

Strategic Director of Corporate Resources, David Hodgson

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

Background papers used in compiling this report:-

None

List of Appendices:

- Appendix 1 – HRA Areas of Budgetary Risk Q2;
- Appendix 2 – HRA Revenue Monitoring Q2;
- Appendix 3 – HRA Available Resources Q2;
- Appendix 4 – HRA Capital Monitoring Q2.

AREAS OF BUDGETARY RISK **APPENDIX 1**

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)		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. Spend to month six is within the profile and will be closely monitored for the rest of the year. 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.
Repairs to Void Properties	£1,822,180 (revenue)		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. As at Quarter 2 spend is within budget. 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.
Rental Income from Dwellings	(£22,110,850) (revenue)		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. Rental income after the first six months is largely in line with profile.

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 2

ACTUAL TO DATE				YEAR END FORECAST		
PROFILED BUDGET £	ACTUAL TO DATE £	VARIANCE TO DATE £	MANAGEMENT UNIT	APPROVED BUDGET £	Q2 FORECAST VARIANCE £	CURRENT OUTTURN FORECAST £
			PEOPLE & COMMUNITIES - HRA HOUSING			
115,610	90,494	(25,116)	RESIDENT INVOLVEMENT	271,790	0	271,790
704,525	583,666	(120,859)	MANAGEMENT	1,854,900	(45,000)	1,809,900
(90,230)	(227,432)	(137,202)	EDWARDS COURT	(158,960)	0	(158,960)
934,935	801,906	(133,029)	TENANCY SERVICES	1,921,450	(140,670)	1,780,780
(11,976,710)	(11,954,357)	22,353	RENTS	(22,110,850)	0	(22,110,850)
			HRA ASSET MAINTENANCE			
150,890	118,583	(32,307)	SUNDRY LAND MAINTENANCE	472,020	0	472,020
4,683,655	3,621,532	(1,062,123)	REPAIRS & MAINTENANCE PROGRAMME	8,779,790	(60,000)	8,719,790
2,030,465	1,825,655	(204,810)	GENERAL MAINTENANCE	3,580,230	0	3,580,230
911,090	794,445	(116,645)	REPAIRS TO VOID PROPERTIES	1,822,180	0	1,822,180
788,780	619,573	(169,207)	SERVICE CONTRACTS	1,470,740	0	1,470,740
953,320	381,859	(571,461)	OTHER	1,906,640	(60,000)	1,846,640
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
1,249,180	1,263,058	13,878	HOUSING ASSETS	2,928,900	35,000	2,963,900
1,251,045	1,090,390	(160,655)	INTEREST	1,739,350	0	1,739,350
			MOVEMENT TO/(FROM) WORKING BALANCE	(423,070)	210,670	(212,400)
			Net Expenditure	**0**	**0**	**0**
			Working Balance 1 April 2025	**4,905,388**	**31 March 2026**	**4,692,988**

COUNCIL OWN BUILD SITES

PROFILED BUDGET £	ACTUAL TO DATE £	VARIANCE TO DATE £		APPROVED BUDGET £	Q2 FORECAST VARIANCE £	CURRENT OUTTURN FORECAST £
35,445	33,107	(2,338)	MANAGEMENT	86,920	0	86,920
(6,495)	(8,088)	(1,593)	ROWAN HOUSE	(13,570)	0	(13,570)
(38,657)	(47,926)	(9,269)	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)
			Net Expenditure	**0**	**0**	**0**
			Working Balance 1 April 2025	**339,044**		**332,044**

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APPENDIX 3

HRA AVAILABLE RESOURCES

HOUSING REVENUE ACCOUNT	2025-26 £	2026-27 £	2027-28 £	2028-29 £	TOTAL £
CAPITAL RESOURCES AVAILABLE					
Usable Receipts Brought Forward					5,221,900
Major Repairs Reserve Brought Forward					4,999,469
Other HRA Sales	936,000				936,000
RTB sales	3,316,067				3,316,067
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	1,260,500				1,260,500
Commuted sums	0				0
Borrowing	4,948,380	2,800,000			7,748,380
Borrowing - long leases	2,645,792				2,645,792
Total Resources available	**18,412,209**	**7,524,680**	**5,824,680**	**5,624,680**	**47,607,618**
CAPITAL PROGRAMME					
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
Q2 - changes	- 2,937,000	2,612,500	292,500		-32,000
					0
Total Housing Revenue Account	**19,417,866**	**12,585,753**	**7,259,069**	**5,525,867**	**44,788,555**

UNCOMMITTED CAPITAL RESOURCES:					
Usable Receipts Brought Forward	5,221,900	2,757,295	1,821,295	1,821,295	5,221,900
Major Repairs Reserve Brought Forward	4,999,469	6,458,417	2,333,344	898,955	4,999,469
Resources in Year	18,412,209	7,524,680	5,824,680	5,624,680	37,386,249
Less Estimated Spend	(19,417,866)	(12,585,753)	(7,259,069)	(5,525,867)	(44,788,555)
Uncommitted Capital Resources	**9,215,712**	**4,154,639**	**2,720,250**	**2,819,063**	**2,819,063**

WORKING BALANCE RESOURCES:					
Balance Brought Forward	4,905,388	4,692,988	4,907,489	4,600,009	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
Q2 forecast under/(over)spend 2025-26	210,670				210,670
Balance Carried Forward	4,692,988	4,907,489	4,600,009	5,012,653	5,012,653
Balance Resolved to be Retained	(3,525,000)	(3,525,000)	(3,525,000)	(3,525,000)	(3,525,000)
Uncommitted HRA Working Balance (after balance resolved to be retained of £3.525m)	**1,167,988**	**1,382,489**	**1,075,009**	**1,487,653**	**1,487,653**

TOTAL AVAILABLE CAPITAL RESOURCES (after balance resolved to be retained of £3.525m)	**10,383,700**	**5,537,128**	**3,795,259**	**4,306,716**	**4,306,716**

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2025-26

APPENDIX 4

CAPITAL MONITORING - QUARTER 2

	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 ()
	£	£	£	£	£	£	£	£
HRA CAPITAL								
Adaptations	360,000	54,766	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	485,992	600,000					-
Boiler Replacement Programme & Central Heating	455,875	268,828	455,875					-
Common Area Footpath & Wall Improvements	97,000		97,000					-
Communal Area Improvements - New Flooring	197,614	0	162,614				-	35,000
Electrical Central Heating	10,000		10,000					-
Replacement of Fire alarms	172,500	5,000	172,500					-
Electrical Rewires - Communal & domestic	626,126	394,412	626,126					-
Energy Conservation		58,461	0					-
SHF Wave 3	1,496,478	141,637	946,478	(550,000)	275,000	275,000		-
Fire Risk Assessment Works	1,510,000	203,712	1,510,000					-
Fire Safety Storage Facilities	109,462	32,061	109,462					-
Kitchen Replacements (inc. Communal)	827,000	484,659	827,000					-
LAINGS Refurbishments	2,150,000	74,164	350,000	(1,800,000)	1,800,000			-
Lift Upgrades	400,000	31,008	400,000					-
Reroofing - Flats and Houses	1,600,250	100,112	1,600,250					-
Porch Canopies	94,200	12,445	59,200	(35,000)	17,500	17,500		-
Rennes House	1,007,498	86,103	1,007,498					-
Structural Repairs	609,160	8,100	609,160					-
Window & Door Replacements	1,400,000	311,721	1,400,000					-
Plastering	125,000	91,953	125,000					-
Central Heating - Abbeville & Hamlin	520,000		0	(520,000)	520,000			-
Right of Use - HRA long leases	2,645,792		2,645,792					-
HOUSING REVENUE ACCOUNT TOTAL	**17,771,955**	**2,845,133**	**14,831,955**	**(2,905,000)**	**2,612,500**	**292,500**	**0**	**(35,000)**
COUNCIL OWN BUILD CAPITAL								
Social Housing Acquisitions - Open Market	800,000	402,601	800,000					-
Local Authority Housing Fund	580,789	166,032	580,789					-
Council House Building Programme - Bovemoors Lane	14,605	0	14,605					-
Council House Building Programme - Hamlin Gardens	75,000	1,918	78,000					3,000
Council House Building Programme - Vaughan Road Phase A	3,112,517	2,445,319	3,112,517					-
COUNCIL OWN BUILD TOTAL	**4,582,911**	**3,015,870**	**4,585,911**	**0**	**0**	**0**	**0**	**3,000**
OVERALL HOUSING REVENUE ACCOUNT TOTAL	**22,354,866**	**5,861,003**	**19,417,866**	**(2,905,000)**	**2,612,500**	**292,500**	**0**	**(32,000)**

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REPORT TO COUNCIL

Date of Meeting: 9th December 2025

Report of: Strategic Director – Corporate Resources & s151 Officer

Title: Treasury Management 2025/26 Half Year Update

Is this a Key Decision?

No

Is this an Executive or Council Function?

Council

1. What is the report about?

1.1 To report on the current Treasury Management performance for the 2025/26 financial year and the position regarding investments and borrowings at 30 September 2025.

2. Recommendations:

2.1 That Members of the Council note the Treasury Management report in respect of the first six months of the 2025/26 financial year.

3. Reasons for the recommendation:

3.1 It is a statutory requirement for the Council to publish regular reports on Treasury Management to Council. This includes an annual Treasury Management Strategy, a half yearly report and a year-end report as a minimum.

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

4.1 The report is an update on the overall performance in respect of Treasury Management for the first six months of the 2025/26 financial year. Therefore, there are no financial or non-financial resource implications.

5. Section 151 Officer comments:

5.1 The reductions in bank rate have not been reflected in the rates for Government borrowing. Therefore, borrowing long term remains high and this has resulted in further reductions to the Council's cash balances. This combination of lower interest for our investments alongside lower cash balances has resulted in lower than expected interest receipts.

6. What are the legal aspects?

6.1 The CIPFA (Chartered Institute of Public Finance and Accountancy) Treasury Management Code of Practice recommends that members be updated on treasury management activities regularly. This report therefore ensures that Exeter City Council is implementing best practice in accordance with the Code. Adoption of the Code is required by regulations made under the Local Government Act 2003.

Chapter 1 of the Act sets out capital finance and accounts requirements. Section 1 states that local authorities have the power to borrow money for any purpose relevant to its functions under any enactment or for the purposes of the prudent management of its financial affairs. Sections 2 to 6 of the Act provide for the duty to control borrowing and the duty to determine affordable borrowing limits. Section 12 provides for the power to invest.

The Treasury Management Strategy is based on the requirements of MHCLG's Guidance on Local Government Investments and the CIPFA Treasury Management code.

This report confirms that the Section 151 Officer is satisfied that Council borrowing is affordable and in accordance with the provisions of the Local Government Act 2003, MHCLG's Guidance and CIPFA Code of Practice.

7. Monitoring Officer's comments:

7.1 This report is for Members' information concerning Treasury Management.

8. Equality Act 2010 (The Act)

8.1 In recommending this proposal no potential impact has been identified on people with protected characteristics as determined by the Act because: because

The report is for information only

9. Carbon Footprint (Environmental) Implications:

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

10. Report Details:

10.1 **Economics and Interest Rates**

The first half of 2025/26 saw:

- A 0.3% pick up in GDP for the period April to June 2025. More recently, the economy flatlined in July, with higher taxes for businesses restraining growth.
- The 3m/yy rate of average earnings growth excluding bonuses has fallen from 5.5% to 4.8% in July.

- CPI inflation has ebbed and flowed but finished September at 3.8%, whilst core inflation eased to 3.6%.
- The Bank of England cut interest rates from 4.50% to 4.25% in May, and then to 4% in August.
- The 10-year gilt yield fluctuated between 4.4% and 4.8%, ending the half year at 4.70%.

CPI inflation fell slightly from 3.5% in April to 3.4% in May. More recently, though, inflation pressures have resurfaced. A further loosening in the labour market and weaker wage growth may be a requisite to UK inflation coming in below 2.0% by 2027.

The Council has appointed MUFG Corporate Markets as its treasury advisors and part of their service is to assist the Authority to formulate a view on interest rates. The PWLB rate forecasts below are based on the Certainty Rate (the standard rate minus 20bps) which has been accessible to most authorities since 1 November 2012.
MUFG Corporate Markets' latest forecast on 11 August sets out a view that short, medium and long-dated interest rates will fall back over the next year or two.

MUFG Corporate Markets Interest Rate View 11.08.25													
	Sep-25	Dec-25	Mar-26	Jun-26	Sep-26	Dec-26	Mar-27	Jun-27	Sep-27	Dec-27	Mar-28	Jun-28	Sep-28
BANK RATE	4.00	4.00	3.75	3.75	3.50	3.50	3.50	3.50	3.25	3.25	3.25	3.25	3.25
3 month ave earnings	4.00	4.00	3.80	3.80	3.50	3.50	3.50	3.50	3.30	3.30	3.30	3.30	3.30
6 month ave earnings	4.00	3.90	3.70	3.70	3.50	3.50	3.50	3.50	3.30	3.30	3.40	3.40	3.40
12 month ave earnings	4.00	3.90	3.70	3.70	3.50	3.50	3.50	3.50	3.30	3.40	3.50	3.60	3.60
5 yr PWLB	4.80	4.70	4.50	4.40	4.30	4.30	4.30	4.20	4.20	4.20	4.20	4.10	4.10
10 yr PWLB	5.30	5.20	5.00	4.90	4.80	4.80	4.80	4.70	4.70	4.70	4.70	4.60	4.60
25 yr PWLB	6.10	5.90	5.70	5.70	5.50	5.50	5.50	5.40	5.40	5.30	5.30	5.30	5.20
50 yr PWLB	5.80	5.60	5.40	5.40	5.30	5.30	5.30	5.20	5.20	5.10	5.10	5.00	5.00

10.2 Treasury Management Strategy Statement

The Council approved the 2025/26 Treasury Management Strategy Statement (TMSS) at its meeting on 18 February 2025.

The Council's stated investment strategy was to continue to hold small surplus funds and to seek to utilise its Call Accounts, Money Market Funds, use the Government's Debt Management Office and use short-dated deposits which would be placed with Local Authorities, Banks or Building Societies in-line with the Council's counterparty list.

The Council's stated borrowing strategy was to defer borrowing until later years, where possible, and to reduce the size of the Council's investment balance instead, however some targeted long-term borrowing may be undertaken, where the costs will be offset against future income streams.

The Council is currently maintaining an under-borrowed position; so, the actual borrowings of the Council are below the Council's borrowing requirement, as it has taken advantage of internal borrowings. This means that the Council's borrowing need (the Capital Financing Requirement), has not been fully funded with loan debt as cash supporting the Council's reserves, balances and cash flow has been used as a temporary measure. This is illustrated by the Liability benchmark indicator per Appendix B.

10.3 **Investments**

The Council can utilise the Government's Debt Management Office (DMO) account and a reserve account with Barclays, these accounts have not been utilised during the period.

Appendix A sets out the institutions that the Council can use for deposits, this is known as the Counterparty list.

The Council had access to four Money Market Funds during the period. The money market funds allow immediate access to our funds and spreads risk as it is pooled with investments by other organisations and invested across a wide range of financial institutions.

The Council made investments in the CCLA's LAMIT Property Fund in 2016. It should be noted that investments in property funds are a long-term commitment which means that there can be fluctuations on the return from the investment.

The Council's investments held at 30 September 2025 were:

Money Market Funds

Amount	Investment	Interest rate*
£10,000,000	Federated Short-Term Sterling Prime Fund	4.28%
£0	CCLA - The Public Sector Deposit Fund	4.25%
£2,000,000	BlackRock Institutional Sterling Liquidity Fund	4.20%
£10,000,000	Aberdeen Standard Liquidity Fund	4.27%

* Interest rate is variable (therefore rates quoted were the average as at 30 September 2025)

Fixed Term Deposits – Current

The Council had no Fixed Term Deposits as at 30 September 2025.

Property Funds

Amount	Investment	Dividend Yield Q1
£5,000,000	CCLA – LAMIT Property Fund	5.39%

10.4 **Borrowings**

The Council's long-term borrowing is currently £162.454 million (£90.210 million General Fund and £72.244 HRA) and there is short-term borrowing of £10 million. Details of existing loans are set out below:

Principal Amount outstanding as at 30/09/2025	Lender	Interest rate	Loan type	Date of repayment
£56,884,000	PWLB (HRA)	3.48%	Maturity	28/03/2062
£1,744,752	PWLB	2.34%	Annuity	11/01/2044
£1,730,508	PWLB	2.08%	Annuity	04/04/2044
£3,889,847	PWLB	1.61%	Annuity	26/09/2049
£7,638,227	PWLB	1.71%	Annuity	26/09/2054
£33,181,286	PWLB	1.80%	Annuity	26/09/2069
£15,360,000	PWLB (HRA)	1.31%	Maturity	14/04/2070
£42,024,998	PWLB	1.78%	Annuity	24/12/2071
£10,000,000	PWLB	4.87%	Maturity	12/03/2026

Given the ongoing high costs of borrowing the capital programme is being funded by internal temporary borrowing. The liability benchmark treasury indicator at Appendix B compares the current Capital Financing Requirement with existing debt.

The ongoing borrowing requirement will be monitored and a decision of whether to take further borrowing will be made considering need and current and forecast interest rates. If additional borrowing is required advice will be sought from the Council's treasury management advisors to ensure that the most cost-effective form of borrowing can be secured.

10.5 **Compliance with Treasury and Prudential Limits**

During the half year ended 30 September 2025, the Council has operated within the treasury and prudential indicators set out in the Council's Treasury Management Strategy Statement for 2025/26. No difficulties are envisaged for the current or future years in complying with these indicators.

All treasury management operations have also been conducted in full compliance with the Council's Treasury Management Practices. The approved limits within the Annual Investment Strategy set out in the TMSS were not breached during the period ended 30th September 2025.

To support the risk management of the capital financing requirement a graphical indication of the Council's borrowing liability and actual loans for the General Fund and HRA combined is shown on Appendix B.

10.6 **Net Interest Position**

The General Fund shows a £173k expected adverse position against the estimate for net interest payable, the position is:

	Estimate 2025/26 £	Actual to 30 September 2025 £	Estimated Outturn £	Variation £
Interest paid	2,334,390	1,150,946	2,334,390	-
Interest earned				
Temporary investment interest	(1,400,000)	(595,652)	(1,042,391)	357,609
Other interest earned	(48,500)	(47,098)	(94,195)	(45,695)
Less				
Interest to HRA	800,000	307,752	615,504	(184,496)
Interest to deposits held	4,000	7,277	14,554	10,554
Interest to Trust Funds & Lord Mayor's Charity	10,500	16,046	32,091	21,591
GF interest (received) / paid out	(634,000)	(311,675)	(474,437)	159,563
Net Interest	**1,700,390**	**839,271**	**1,859,953**	**159,563**
CCLA – LAPF Dividend	(225,000)	(109,135)	(211,214)	13,786
Net Interest after dividends	**1,475,390**	**730,136**	**1,648,739**	**173,349**

Net interest receivable on investments is projected to be £160k lower than budget due to reduced cash balances and falling interest rates. CCLA dividends are projected to be £14k lower than budgeted based on the first two quarters' dividend payments.

10.7 **Repayment of Debt (MRP) Position**

	Estimate 2025/26 £	Estimated Outturn £	Variation £
Repayment of Debt	2,702,000	2,702,000	-

The Minimum Revenue Provision (MRP) for 2025/26 is expected to be in line with budget.

10.8 **Future Position**

The short-term cash surplus will be invested in line with the Council's Treasury Management Strategy and will ensure that funds are available to meet demands, whilst also maximising returns.

The Council's Money Market Funds, which are AAA, rated, currently offer rates between 4.20% to 4.28%, the rates are liable to fluctuation in the year. The short-term investments that are made through the money market funds ensure cash can be accessed immediately. This has an impact on returns but ensures the liquidity of funds.

The Council will also lend, when possible, to institutions on the Council's counterparty list which includes other Local Authorities, UK and Foreign owned banks, building societies and the Debt Management Office. The Council will also consider its Treasury Management – Environmental, Social and Governance policy when making investment decisions. Due to reduced cash balances the Council currently has no short-term deposits.

Officers have regular meetings with the Treasury Management advisors to seek advice on how to maximise investment returns and to minimise the need to borrow whilst taking into account investment risk.

Officers continually explore the possibility of widening the investment options available to the Council. If the options are proved to be of interest, and viable, they will be included in the Treasury Management Strategy which will be presented to committee for approval in February 2026.

This will be closely reviewed, and advice will be sought from our financial advisors to ensure our counterparty list is adequate and robust enough. Any adjustments to the list and the impact of this will be presented to committee for approval in the Treasury Management Strategy 2026/27.

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

Treasury Management supports the Council in generating additional funds for investing in Services, whilst minimising the amount of interest paid on borrowings. It does not in itself contribute to the Council's Corporate Plan.

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

The Council uses Treasury Management advisors who continually provide updates on the economic situation, interest rates and credit ratings of financial institutions. They also provide a counterparty list which details the financial institutions which meet the council's Treasury Management strategy.

The volatility of the world economy is being closely monitored, and daily updates are provided by our financial advisors and investment brokers.

13. Are there any other options?

No

Strategic Director Corporate Resources, David Hodgson

Author: Kayleigh Searle

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

Background papers used in compiling this report:

None

List of Appendices:

Appendix A – Counterparty list

Appendix B – Liability Benchmark

List of Suggested Counterparties for Lending for Exeter City Council.

Any values highlighted in yellow have undergone a change in the past 14 days.

Counterparty		Fitch Ratings				Moodys Ratings				S&P Ratings									
			Long Term		Short Term		Long Term		Short Term		Long Term		Short Term	Band Name	CDS Price	CDS Status	Monetary Limit	Duration	Notes
Australia		SB	AAA			SB	Aaa			SB	AAA				11.46				
Banks	Australia and New Zealand Banking Group Ltd.	SB	AA-		F1+	SB	Aa2		P-1	SB	AA-		A-1+	Non UK	31.98	●	3 Million	9 Months	£3m Sovereign Limit
	Commonwealth Bank of Australia	PO	AA-		F1+	SB	Aa2		P-1	SB	AA-		A-1+	Non UK	32.01	●	3 Million	9 Months	£3m Sovereign Limit
	National Australia Bank Ltd.	SB	AA-		F1+	SB	Aa2		P-1	SB	AA-		A-1+	Non UK	31.94	●	3 Million	9 Months	£3m Sovereign Limit
	Westpac Banking Corp.	SB	AA-		F1+	SB	Aa2		P-1	SB	AA-		A-1+	Non UK	38.15	●	3 Million	9 Months	£3m Sovereign Limit
Canada		SB	AA+			SB	Aaa			SB	AAA								
Banks	Bank of Montreal	SB	AA-		F1+	SB	Aa2		P-1	SB	A+		A-1	Non UK			3 Million	9 Months	£3m Sovereign Limit
	Bank of Nova Scotia	SB	AA-		F1+	SB	Aa2		P-1	SB	A+		A-1	Non UK			3 Million	9 Months	£3m Sovereign Limit
	Canadian Imperial Bank of Commerce	SB	AA-		F1+	SB	Aa2		P-1	SB	A+		A-1	Non UK			3 Million	9 Months	£3m Sovereign Limit
	Royal Bank of Canada	SB	AA-		F1+	SB	Aa1		P-1	SB	AA-		A-1+	Non UK			3 Million	9 Months	£3m Sovereign Limit
	Toronto-Dominion Bank	NO	AA-		F1+	SB	Aa1		P-1	SB	A+		A-1	Non UK			3 Million	9 Months	£3m Sovereign Limit
Germany		SB	AAA			SB	Aaa			SB	AAA				5.51				
Banks	Bayerische Landesbank	SB	A+		F1+	SB	Aa2		P-1		NR		NR	Non UK			3 Million	9 Months	£3m Sovereign Limit
	BSK 1818 AG					SB	Aa3		P-1					Non UK			3 Million	9 Months	£3m Sovereign Limit
	Commerzbank AG		WD		WD	SB	Aa3		P-1	SB	A		A-1	Non UK	42.10	●	3 Million	9 Months	£3m Sovereign Limit
	DZ BANK AG Deutsche Zentral-Genossenschaftsbank	SB	AA-		F1+	SB	Aa2		P-1	SB	A+		A-1	Non UK			3 Million	9 Months	£3m Sovereign Limit
	Landesbank Baden-Wuerttemberg	SB	A+		F1+	SB	Aa2		P-1		NR		NR	Non UK			3 Million	9 Months	£3m Sovereign Limit
	Landesbank Hessen-Thueringen Girozentrale	SB	A+		F1+	SB	Aa2		P-1		NR		NR	Non UK			3 Million	9 Months	£3m Sovereign Limit
	Landwirtschaftliche Rentenbank	SB	AAA		F1+	SB	Aaa		P-1	SB	AAA		A-1+	Non UK			3 Million	9 Months	£3m Sovereign Limit
	Norddeutsche Landesbank Girozentrale	SB	A+		F1+	SB	Aa2		P-1		NR		NR	Non UK			3 Million	9 Months	£3m Sovereign Limit

	NRW.BANK	SB	AAA		F1+	SB	Aa1		P-1	NO	AA		A-1+	Non UK			3 Million	9 Months	£3m Sovereign Limit
Netherlands		SB	AAA			SB	Aaa			SB	AAA				7.53				
Banks	BNG Bank N.V.	SB	AAA		F1+	SB	Aaa		P-1	SB	AAA		A-1+	Non UK			3 Million	9 Months	£3m Sovereign Limit
	ING Bank N.V.	SB	AA-		F1+	SB	Aa3		P-1	SB	A+		A-1	Non UK	25.35	●	3 Million	9 Months	£3m Sovereign Limit
	Nederlandse Waterschapsbank N.V.					SB	Aaa		P-1	SB	AAA		A-1+	Non UK			3 Million	9 Months	£3m Sovereign Limit
Norway		SB	AAA			SB	Aaa			SB	AAA				9.01				
Banks	DNB Bank ASA					SB	Aa1		P-1	SB	AA-		A-1+	Non UK			3 Million	9 Months	£3m Sovereign Limit
Singapore		SB	AAA			SB	Aaa			SB	AAA								
Banks	DBS Bank Ltd.	SB	AA-		F1+	SB	Aa1		P-1	SB	AA-		A-1+	Non UK			3 Million	9 Months	£3m Sovereign Limit
	Oversea-Chinese Banking Corp. Ltd.	SB	AA-		F1+	SB	Aa1		P-1	SB	AA-		A-1+	Non UK			3 Million	9 Months	£3m Sovereign Limit
	United Overseas Bank Ltd.	SB	AA-		F1+	SB	Aa1		P-1	SB	AA-		A-1+	Non UK			3 Million	9 Months	£3m Sovereign Limit
Sweden		SB	AAA			SB	Aaa			SB	AAA				7.01				
Banks	Skandinaviska Enskilda Banken AB	SB	AA-		F1+	PO	Aa3		P-1	PO	A+		A-1	Non UK			3 Million	9 Months	£3m Sovereign Limit
	Svenska Handelsbanken AB	SB	AA		F1+	SB	Aa2		P-1	SB	AA-		A-1+	Non UK			3 Million	9 Months	£3m Sovereign Limit
	Swedbank AB	SB	AA-		F1+	SB	Aa2		P-1	SB	AA-		A-1+	Non UK			3 Million	9 Months	£3m Sovereign Limit
United Kingdom		SB	AA-			SB	Aa3			SB	AA				13.58				
AAA rated and Government backed securities	Debt Management Office													DMO				12 Months	(M)
Banks	Al Rayan Bank Plc					SB	A2		P-1					UK High			4 Million	12 Months	
	Bank of Scotland PLC (RFB)	SB	AA-		F1+	SB	A1		P-1	SB	A+		A-1	UK High	42.28	●	4 Million	12 Months	
	Barclays Bank PLC (NRFB)	SB	A+		F1	SB	A1		P-1	SB	A+		A-1	UK Low	64.28	●	3 Million	6 Months	
	Barclays Bank UK PLC (RFB)	SB	A+		F1	SB	A1		P-1	SB	A+		A-1	UK Low			3 Million	6 Months	
	Clydesdale Bank PLC	SB	A		F1	SB	A1		P-1	SB	A+		A-1	UK Low			3 Million	6 Months	
	Goldman Sachs International Bank	SB	A+		F1	SB	A1		P-1	SB	A+		A-1	UK Low	56.55	●	3 Million	6 Months	
	Handelsbanken Plc	SB	AA		F1+					SB	AA-		A-1+	UK High			4 Million	12 Months	

	HSBC Bank PLC (NRFB)	SB	AA-		F1+	SB	A1		P-1	SB	A+		A-1	UK High	35.22	●	4 Million	12 Months	
	HSBC UK Bank Plc (RFB)	SB	AA-		F1+	SB	A1		P-1	SB	A+		A-1	UK High			4 Million	12 Months	
	Lloyds Bank Corporate Markets Plc (NRFB)	SB	AA-		F1+	SB	A1		P-1	SB	A		A-1	UK High			4 Million	12 Months	
	Lloyds Bank Plc (RFB)	SB	AA-		F1+	SB	A1		P-1	SB	A+		A-1	UK High	40.63	●	4 Million	12 Months	
	National Bank Of Kuwait (International) PLC	SB	A+		F1					SB	A		A-1	UK Low			3 Million	6 Months	
	National Westminster Bank PLC (RFB)	SB	AA-		F1+	SB	A1		P-1	SB	A+		A-1	UK High			4 Million	12 Months	
	NatWest Markets Plc (NRFB)	SB	AA-		F1+	SB	A1		P-1	SB	A		A-1	UK High	53.29	●	4 Million	12 Months	
	Santander Financial Services plc (NRFB)	SB	A+		F1	SB	A1		P-1	SB	A-		A-2	UK Low			3 Million	6 Months	
	Santander UK PLC	SB	A+		F1	SB	A1		P-1	SB	A		A-1	UK Low			3 Million	6 Months	
	SMBC Bank International Plc	SB	A-		F1	SB	A1		P-1	SB	A		A-1	UK Low			3 Million	6 Months	
	Standard Chartered Bank	SB	A+		F1	PO	A1		P-1	SB	A+		A-1	UK Low	36.62	●	3 Million	6 Months	
	The Royal Bank of Scotland Plc (RFB)	SB	AA-		F1+	SB	A1		P-1	SB	A+		A-1	UK High			4 Million	12 Months	
Building Society	Nationwide Building Society	SB	A		F1	SB	A1		P-1	SB	A+		A-1	UK Low			3 Million	6 Months	
	Skipton Building Society	SB	A-		F1	SB	A2		P-1					UK Low			3 Million	6 Months	
	Yorkshire Building Society	SB	A-		F1	SB	A2		P-1					UK Low			3 Million	6 Months	
United States		SB	AA+			SB	Aa1			SB	AA+				37.98				
Banks	Bank of America N.A.	SB	AA		F1+	SB	Aa2		P-1	SB	A+		A-1	Non UK			3 Million	9 Months	£3m Sovereign Limit
	Bank of New York Mellon, The	SB	AA		F1+	SB	Aa1		P-1	SB	AA-		A-1+	Non UK			3 Million	9 Months	£3m Sovereign Limit
	JPMorgan Chase Bank N.A.	SB	AA		F1+	SB	Aa1		P-1	SB	AA-		A-1+	Non UK			3 Million	9 Months	£3m Sovereign Limit
	Wells Fargo Bank, NA	SB	AA-		F1+	SB	Aa2		P-1	SB	A+		A-1	Non UK	50.39	●	3 Million	9 Months	£3m Sovereign Limit

Advisory notes:

Country Limits Maximum of £3 million

Counterpary Limits Maximum that will be lent to any one organisation (other than the UK Government) will be £5 million. For individual banks the limit is £4 million.

A group of banks under the same ownership will be treated as a single organisation for limit purposes.

Money Market Funds and similar pooled vehicles holding the highest possible credit ratings (AAA) Monetary Limit: £10m each, Time Limit: 3 months.

UK Local Authorities Monetary Limit: £5m for Upper Tier/£5m for Lower Tier, Time Limit: 12 months.

Property Funds £10 million per fund.

(M) = Manually added counterparty. If a rating changes for this institution it will not alter its status on the counterparty list, or limits assigned to it.

Key

	Watches and Outlooks
SB	Stable Outlook
NO	Negative Outlook
NW	Negative Watch
PO	Positive Outlook
PW	Positive Watch
EO	Evolving Outlook
EW	Evolving Watch
WD	Rating Withdrawn

CDS	
Indicator	Status
●	In Range
●	Monitoring
●	Out of Range

Duration	Colour	Name
12 Months		UK High
9 Months		Non UK
6 Months		UK Low
12 Months		DMO

Please note that the Link Group suggested methodology applies a minimum non-UK sovereign criteria of “AA-”. In instances where individual client criteria allows for the potential use of entities from lower rated sovereigns, suggested duration columns in these lists may show a “colour”, but this will purely be based on the ratings / CDS of the individual entity. It will not take account of the sovereign rating, which alone may provide a reason for it not being included within the Link Treasury Services Limited suggested list of counterparties. Please also note that CDS values are as at the close of business from the previous day.

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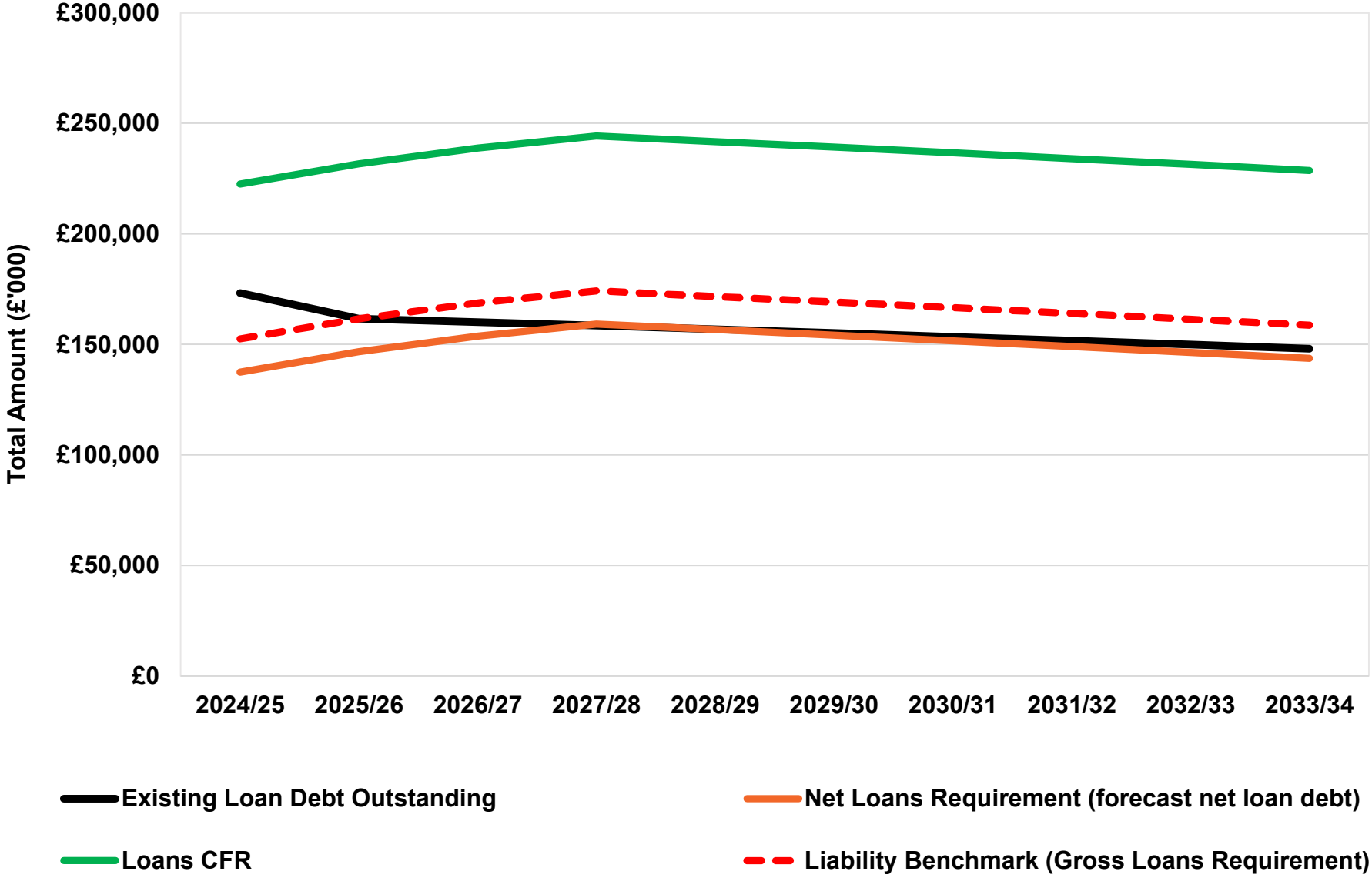
Appendix B - Liability Benchmark



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REPORT TO COUNCIL

Date of Meeting: 9 December 2025

Report of: Strategic Director for Corporate Services

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

Is this a Key Decision?

No

Is this an Executive or Council Function?

Council

1. What is the report about?

This report provides Members with the following:

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

2. Recommendations:

2.1 That Council notes the report.

3. Reasons for the recommendation:

3.1 In January 2025 a detailed report on each of the companies in which the Council has an interest was presented to Executive and Council. In the report officers committed to providing an update every six months to Council therefore this report addresses that commitment.

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

4.1 There are none arising out of the report.

5. Section 151 Officer comments:

5.1 The report sets out the position in respect of the Companies in which the Council has an interest. There are no issues of significance to highlight. The review into Exeter Business Centre by Local Partnerships is complete and a draft report has been issued. Officers are considering the report with an intention to present a report to Council early next year.

6. What are the legal aspects?

6.1 Under the Local Government Act 2003, local authorities may trade in activities related to their ordinary functions for commercial purposes via a company (as defined under the Companies Act 2006).

6.2 Under the Localism Act 2011 local authorities are granted the General Power of Competence (GPC) and are permitted to do anything that an individual may do, including engaging in commercial activities. However, in accordance with section 4 of the Act any commercial activities under the GPC must also be conducted through a company.

7. Monitoring Officer's comments:

7.1 The purpose of this report is to provide Members with an update on Council-owned and related companies.

8. Equality Act 2010 (The Act)

8.1 In recommending this proposal no potential impact has been identified on people with protected characteristics as determined by the Act because the report's recommendations address Companies not individuals.

9. Carbon Footprint (Environmental) Implications:

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

10. Report details:

10.1 Exeter City Council Companies and Charities:

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

10.1.2 Attached at Appendix 1 of this report is a list of the Companies and a Charity in which ECC has an interest, along with details as to who fills the key roles in respect of interactions with the various entities with. Appendix 2 provides the financial information in respect of each of the entities. Set out below is a short summary of activities and financial performance by the organisation in the financial year 2025-26 to date.

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

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

Strata continues to make significant progress into the transformation set out in the business plan for 2026-27. Initiatives include replacement of the Councils' aged laptop estate and infrastructure, delivery of the new phone system and decommission of skype for desktop users, enhancement of the Councils' digital front door and Customer Relationship Management (CRM).

The published accounts for 2024-25 are included in Appendix 2a and an unqualified audit opinion given with no issues reported. The accounts are unchanged from the draft financial statements included in the previous Companies, Alternative Delivery Models and Charities report (June 2025).

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

ESPL is a company in joint ownership between Exeter City Council, Devon County Council, the University of Exeter and East Devon District Council. There are different shareholdings amongst the four owners. ESPL is one of the most commercially driven Companies in which the Council has an interest, but under the agreement the Council is unable to take dividends from any profits.

The accounts for 2024-25 (Appendix 2b) have been published and an unqualified audit opinion given with no issues reported. The accounts show an improved Net Asset position compared with the draft position included in the previous Companies, Alternative Delivery Models and Charities report (June 2025).

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

ECG and ECL now exists with the limited role of holding and managing property. It now holds and manages the six flats at the Guildhall Shopping Centre.

The Council resolved on 18 February 2025 to approve the Shareholder Representative to issue and sign written order to amend the Articles of Association of ECG and ECL. A special resolution to action the amendments to the Articles of Association was approved on 2 June 2025. Subsequently the two dormant subsidiary companies of Exeter City Group Limited, Exeter City Homes Limited and Exeter City Living Property Limited (both incorporated 12 June 2018) were dissolved on 18 November 2025.

During current financial year the net rental income position has been impacted by increased turnover in tenants compared with prior years. This has resulted in increased void periods before the flats are relet as repairs and maintenance is carried out to bring the flats back to the started for reletting. However this has been offset by a significant reduction in operating costs compared with the prior year due to a reduction in Directors and termination of IT services following the transition from housing development to solely residential rental activity. The Management Fee earned from the Council will be adjusted to cover the costs of the business in 2025-26.

Draft accounts for Exeter City Group and Exeter City Living can be found in Appendices 2c and 2d respectively. The Exeter City Living accounts are unchanged from the draft financial statements included in the previous Companies, Alternative Delivery Models and Charities report (June 2025).

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

South West Audit Partnership provides Internal Audit Services to Councils, Police Forces, Fire & Rescue Services and Police and Crime Commissioners across the Country. The Council joined the Partnership in April 2024. SWAP is the largest internal audit partnership in the UK and has continued to grow, with two more partners joining in April 2025. As such the Council's ownership is very small and we continue to have no involvement in the day to day running of the Company. In February a new Chief Executive was appointed, Rich Clarke, who has 25 years of experience.

The accounts for 2024-25 (Appendix 2e) have been published and an unqualified audit opinion given with no issues reported.

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

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

The review of Exeter Business Centre, approved earlier this year, was undertaken by Local Partnerships and has reported back. Officers are meeting to consider the report and expect to provide a report to Council recommending a way forward in early 2026.

The accounts for 2024-25 have been published and can be found in Appendix 2f. The accounts are in line with the year end forecast included in the previous Companies, Alternative Delivery Models and Charities report (June 2025).

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

Dextco limited is a Company which was set up with partners in the City (Devon County Council, Royal Devon University Healthcare NHS Foundation Trust as well as Teignbridge District Council) with the intention of jointly procuring partners to deliver a City Centre district heat network and an additional district heat network in the West Exe part of the City (including Teignbridge). The proposals did not go ahead and there are no current projects being progressed by the Company. The Directors have taken a decision to recommend to the shareholders to voluntarily wind the company up.

Accounts for the financial year to 31 December 2024 have been filed and can be found in Appendix 2g.

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

Monkerton Heat Company was set up with each Developer at Monkerton in relation to the District Heat Network which was installed by various developers with Eon as condition of Section 106 agreements for construction of residential developments at Monkerton. The Company exists for two principal purposes. Firstly, holding the Head Lease of the land for the pipework comprising the district heat network and granting a sub-ease to E.on. Secondly to administer the Master Agreement with E.on. As each developer completes their involvement in their scheme, they will resign as Directors and relinquish their shareholdings, and ultimately ECC will be the sole owner. The company is currently dormant.

Accounts for the financial year to 30 November 2024 have been filed and can be found in Appendix 2h.

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

Exeter Canal and Quay Trust Limited is a charity which was set up in December 1981 to manage and improve a range of properties primarily at the Quay. The properties are

owned by Exeter City Council and let to ECQT primarily on long leases with decades to run. In some instances the freehold interests have been transferred to ECQT.

There are no significant issues to highlight at this time. Draft accounts are not yet available to report.

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

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

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

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

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

13. Are there any other options?

13.1 None

Director Strategic Director Corporate Resources, Dave Hodgson

Author: Finance Lead - Commercial

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

Background papers used in compiling this report:

None

List of Appendices:

- Appendix 2a – Strata Accounts 2024-25;
- Appendix 2b – Exeter Science Park Final Accounts 2024-25;
- Appendix 2c – Exeter City Group Accounts 2024-25;
- Appendix 2d – Exeter City Living Accounts 2024-25;
- Appendix 2e – SWAP Accounts 2024-25;
- Appendix 2f – EBC Accounts 2024-25;
- Appendix 2g – Dextco Accounts 2024-25;
- Appendix 2h – Monkerton Heat Accounts 2024.

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Strata Service Solutions Limited

Annual Report and Financial Statements
Year Ended 31 March 2025

Registration number: 09041662

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Strata Service Solutions Limited

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Strata Service Solutions Limited

Company Information

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

Strategic Report for the Year Ended 31 March 2025

The directors present their strategic report for the year ended 31 March 2025.

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

Fair review of the business
Turnover for the year amounted to £9,932,782 (2024: £9,453,192) with a profit before taxation for the year of £33,160 (2024: £8,201). Net current assets are £1,314,795 (2024: £1,289,995) and the company has net assets totalling £773,684 (2024: net assets £806,803). The balance sheet has moved from Shareholders funds of £806,803 in 2024 to £773,684 due to an increase in the Company's pension fund liability linked to interest rate reductions in the year to 31 March 2025. The Directors are satisfied that the guarantee provided by the three owner Councils in respect of the Pension Fund liabilities means that the Company can continue to trade and invest in the nfrastructure required to grow the Company.

Performance in the year exceeded the Business Plan expectations, and resulted in delivery of a £683k benefit to the Owners. Savings were mainly achieved through transformational initiatives, staffing restructure and renewal software contractual arrangements. Over the life of the Company, it has delivered refunds to the Councils totalling £7.617 million, well in excess of the targets set out in the original Business Plan.

Strata continually updates its performance metrics, aligning them with industry best practices. The key metrics include service requests, incident occurrences, change requests, new projects, system uptime, and outages. These refined metrics provide a clearer focus, enabling prompt adjustments if any metric deviates from the norm or exceeds expectations for a given period. The Partnership has outlined an ambitious business plan for 2025/26, aimed at transforming partner interactions with the public. This transformation is supported by the adoption of industry best practices like ITIL and a revamped project and resource management process.

In summary, the Company has surpassed financial expectations while investing in significant transformation initiatives for its owners.

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

Current global economic conditions pose a risk of reduced local government grants. Technology plays a pivotal role in revamping the councils' operational models and curbing overall expenditure, which is reflected in the business plan for 2025/26, emphasizing 'investment to save' strategies.

The English Devolution White Paper (Power and Partnership: Foundations for Growth) was published on 16 December 2024. It set out the government's plans for a joint programme of devolution and local government reorganisation which could impact the ownership of the Company. The new councils to be formed following the reorganisation are scheduled to come into being in April 2028 and as such Strata will continue to operate on a business as usual basis until the impact on its ownership becomes clearer.

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

Approved by the Board on 12 June 2025 and signed on its behalf by:

.....
Mr N A Blaney
Director

Strata Service Solutions Limited

Directors' Report for the Year Ended 31 March 2025

The directors present their report and the financial statements for the year ended 31 March 2025.

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

Mr S P I Davey

Ms J J Yelland (ceased 25 April 2025)

Mr N A Blaney

The following director was appointed after the year end:

Mr A Pengelly (appointed 25 April 2025)

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

Approved by the Board on 12 June 2025 and signed on its behalf by:

.....
Mr N A Blaney
Director

Statement of Directors' Responsibilities

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

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

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

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

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

Opinion

We have audited the financial statements of Strata Service Solutions Limited (the 'company') for the year ended 31 March 2025, which comprise the Profit and Loss Account, Statement of Comprehensive Income, Balance Sheet, Statement of Changes in Equity, Statement of Cash Flows, and Notes to the Financial Statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 March 2025 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

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

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

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

Other information

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

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

We have nothing to report in this regard.

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

Opinion on other matter prescribed by the Companies Act 2006
In our opinion, based on the work undertaken in the course of the audit:

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

Matters on which we are required to report by exception
In the light of our knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic Report and the Directors' Report.

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

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

Responsibilities of directors

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

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

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

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

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

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

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

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

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

• Enquiries of management regarding their knowledge of any non compliance with laws and regulations that could affect the financial statements. As part of these enquiries we also discussed with management whether there have been any known instances of fraud.

• Discussed with the health and safety officer if any incidents have been reported during the year.

• Review of the GDPR policy and enquiries to management as to the occurrence and outcome of any reportable breaches.

• Reviewed the most recent certificate for accrediation to the public services network.

• Reviewed legal and professional costs to identify any possible non compliance or legal costs in respect of non compliance.

• Audited the risk of management override of controls, including through testing journal entries and other adjustments for appropriateness, and evaluating the business rationale of significant transactions outside the normal course of business.

• Reviewed estimates and judgements made in the accounts for any indication of bias and challenged assumptions used by management in making the estimates.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements. The risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate omissions, collusion, forgery, misrepresentations, or the override of internal controls. We are also less likely to become aware of instances of non-compliance with laws and regulations that are not closely related to events and transactions reflected in the financial statements.

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

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

Use of our report

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

PKF Francis Clark

.....

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

Centenary House
Peninsula Park
Rydon Lane
Exeter
Devon
EX2 7XE

Date: 2 July 2025

Strata Service Solutions Limited

Profit and Loss Account

Year Ended 31 March 2025

	Note	2025 £	2024 £
Turnover	3	9,932,782	9,453,192
Cost of sales		(4,096,522)	(3,835,815)
Gross profit		5,836,260	5,617,377
Administrative expenses		(5,899,494)	(5,673,765)
Operating loss	4	(63,234)	(56,388)
Other interest receivable and similar income		70,394	82,589
Interest receivable/(payable) and similar expenses	7	26,000	(18,000)
		96,394	64,589
Profit before tax		33,160	8,201
Tax on profit	8	(15,279)	(18,136)
Profit/(loss) for the financial year		17,881	(9,935)

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

Strata Service Solutions Limited

Statement of Comprehensive Income

Year Ended 31 March 2025

	Note	2025 £	2024 £
Profit/(loss) for the year		17,881	(9,935)
Remeasurement (loss)/gain on defined benefit pension schemes	14	(51,000)	451,000
Total comprehensive income for the year		(33,119)	441,065

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

Strata Service Solutions Limited

Balance Sheet

31 March 2025

	Note	2025 £	2024 £
Fixed assets			
Intangible assets	9	1,303,919	1,307,206
Tangible assets	10	598,521	493,094
		1,902,440	1,800,300
Current assets			
Stocks		28,810	24,970
Debtors	11	2,935,708	2,892,445
Cash at bank and in hand		807,713	1,005,617
		3,772,231	3,923,032
Creditors: Amounts falling due within one year	12	(2,457,436)	(2,633,037)
Net current assets		1,314,795	1,289,995
Total assets less current liabilities		3,217,235	3,090,295
Creditors: Amounts falling due after more than one year	12	(2,248,551)	(2,094,492)
Net assets excluding pension liability		968,684	995,803
Net pension liability	14	(195,000)	(189,000)
Net assets		773,684	806,803
Capital and reserves			
Called up share capital	15	3	3
Profit and loss account		773,681	806,800
Total equity		773,684	806,803

Approved and authorised by the Board on 12 June 2025 and signed on its behalf by:

.....

Mr N A Blaney
Director

Company Registration Number: 09041662

Strata Service Solutions Limited

Statement of Changes in Equity

Year Ended 31 March 2025

	Share capital £	Profit and loss account £	Total £
At 1 April 2024	3	806,800	806,803
Profit for the year	-	17,881	17,881
Other comprehensive income	-	(51,000)	(51,000)
Total comprehensive income	-	(33,119)	(33,119)
At 31 March 2025	3	773,681	773,684

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

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

Strata Service Solutions Limited

Statement of Cash Flows

Year Ended 31 March 2025

	Note	2025 £	2024 £
Cash flows from operating activities			
Profit/(loss) for the year		17,881	(9,935)
Adjustments to cash flows from non-cash items			
Depreciation and amortisation	4	610,969	635,613
Finance income		(70,394)	(82,589)
Finance costs	7	(26,000)	18,000
Corporation tax	8	15,279	18,136
		547,735	579,225
Working capital adjustments			
Net pension movement	14	(19,000)	(15,000)
Increase in stocks		(3,840)	(8,022)
Increase in trade debtors	11	(43,263)	(952,677)
(Decrease)/increase in trade creditors	12	(172,783)	1,215,764
Increase/(decrease) in deferred income	12	154,059	(164,877)
Cash generated from operations		462,908	654,413
Corporation tax paid		(18,097)	(7,702)
Net cash flow from operating activities		444,811	646,711
Cash flows from investing activities			
Interest received		70,394	82,589
Acquisitions of tangible assets		(304,570)	(49,836)
Acquisition of intangible assets		(408,539)	(390,827)
Net cash flows from investing activities		(642,715)	(358,074)
Net (decrease)/increase in cash and cash equivalents		(197,904)	288,637
Cash and cash equivalents at 1 April		1,005,617	716,980
Cash and cash equivalents at 31 March		807,713	1,005,617

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

1 General information

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

The address of its principal place of business and registered office is:
Civic Centre
Paris Street
Exeter
Devon
EX1 1JN

2 Accounting policies

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

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

There are no material departures from FRS 102.

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

Going concern
Each year the Company produces a Business Plan, setting out projected financial returns for the following period (latest three years) based on the agreed funding mechanism. The latest Business Plan runs to 2027-28 and projects that the costs of the business will be met by the Company's income stream in each year. This is based on known cost pressures and income increases in line with inflation.

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

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

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

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

Due to advancements in technology the estimation of the useful economic life of intangible assets, which predominately are made up of software, is deemed to be a key estimate. The carrying amount is £1,303,919 (2024 - £1,307,206).

Due to advancements in technology the estimation of the useful economic life of tangible assets, which predominately are made up of computer equipment, is deemed to be a key estimate. The carrying amount is £598,521 (2024 - £493,094).

Defined benefit pension liability - assumptions surrounding the discount rate, future salary increases, inflation and future pension increased are considered key estimates. There is also an asset ceiling in place. The carrying amount is £(195,000) (2024 - £(189,000)).

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

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

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

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

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

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

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

Asset class	Depreciation method and rate
Computer equipment	5 years straight line

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

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

Asset class	Amortisation method and rate
Software	3-5 years straight line

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

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

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

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

3 Turnover

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

	2025 £	2024 £
Fee income	9,321,813	8,817,579
Grant income	610,969	635,613
	9,932,782	9,453,192

4 Operating loss

Arrived at after charging/(crediting)

	2025 £	2024 £
Depreciation expense	199,143	233,798
Amortisation expense	411,826	401,815

5 Staff costs

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

	2025 £	2024 £
Wages and salaries	3,233,745	2,972,793
Social security costs	310,887	282,338
Pension costs, defined benefit scheme - service charge	539,000	507,000
	4,083,632	3,762,131

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

	2025 No.	2024 No.
Administration and support	73	71

6 Auditor's remuneration

	2025 £	2024 £
Audit of the financial statements	14,960	12,700

7 Interest payable and similar expenses

	2025 £	2024 £
Net finance costs in respect of defined benefit pension scheme	(26,000)	18,000

8 Taxation

Tax charged/(credited) in the profit and loss account

	2025 £	2024 £
Current taxation		
UK corporation tax	15,279	18,136

The tax on the profit for the year is higher than the standard rate of corporation tax in the UK (2024 - higher than the standard rate of corporation tax in the UK) of 25% (2024 - 25%).

The differences are reconciled below:

	2025 £	2024 £
Profit before tax	33,160	8,201
Corporation tax at standard rate	2,050	2,050
Effect of expense not deductible in determining taxable profit (tax loss)	15,900	18,597
Marginal relief	(2,671)	(2,511)
Total tax charge	15,279	18,136

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

9 Intangible assets

	Software £	Total £
Cost or valuation		
At 1 April 2024	4,602,299	4,602,299
Additions	408,539	408,539
Disposals	(14,657)	(14,657)
At 31 March 2025	4,996,181	4,996,181
Amortisation		
At 1 April 2024	3,295,093	3,295,093
Amortisation charge	411,826	411,826
Amortisation eliminated on disposals	(14,657)	(14,657)
At 31 March 2025	3,692,262	3,692,262
Carrying amount		
At 31 March 2025	1,303,919	1,303,919
At 31 March 2024	1,307,206	1,307,206

10 Tangible assets

	Computer equipment £	Total £
Cost or valuation		
At 1 April 2024	2,187,028	2,187,028
Additions	304,570	304,570
At 31 March 2025	2,491,598	2,491,598
Depreciation		
At 1 April 2024	1,693,934	1,693,934
Charge for the year	199,143	199,143
At 31 March 2025	1,893,077	1,893,077
Carrying amount		
At 31 March 2025	598,521	598,521
At 31 March 2024	493,094	493,094

11 Debtors

	2025 £	2024 £
Trade debtors	159,379	136,177
Other debtors	5,757	5,757
Prepayments and accrued income	2,770,572	2,750,511
	2,935,708	2,892,445

12 Creditors

	Note	2025 £	2024 £
Due within one year			
Trade creditors		288,935	853,537
Social security and other taxes		205,495	169,766
Outstanding defined contribution pension costs		63,033	53,454
Other creditors		3,614	3,469
Accruals		1,881,041	1,534,675
Corporation tax	8	15,318	18,136
		2,457,436	2,633,037
Due after one year			
Deferred income		2,248,551	2,094,492

13 Obligations under leases and hire purchase contracts

Operating leases

The total of future minimum lease payments is as follows:

	2025 £	2024 £
Not later than one year	41,477	71,013
Later than one year and not later than five years	-	41,477
	41,477	112,490

Lease payments recognised as an expense in the year were £72,613 (2024: £78,511).

14 Pension and other schemes

Defined benefit pension schemes
Local Government Pension Scheme (LGPS)

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

The date of the most recent comprehensive actuarial valuation was 31 March 2025. Contributions are set every three years as a result of the actuarial valuation of the Fund required by the Regulations. The next actuarial valuation of the Fund will be carried out as at 31 March 2026 and will set contributions for the period 1 April 2026 to 31 March 2029. There are no minimum funding requirements in the LGPS but the contributions are generally set to target a funding level of 100% using the actuarial valuation assumptions.

The total cost relating to defined benefit schemes for the year recognised in profit or loss as an expense was £522,000 (2024 - £533,000).

Reconciliation of scheme assets and liabilities to assets and liabilities recognised

The amounts recognised in the balance sheet are as follows:

	2025 £	2024 £
Fair value of scheme assets	15,381,000	14,466,000
Present value of defined benefit obligation	(11,964,000)	(13,669,000)
	3,417,000	797,000
Other amounts recognised in the balance sheet (*)	(3,612,000)	(986,000)
Defined benefit pension scheme deficit	(195,000)	(189,000)

(*) The asset ceiling applied at 31 March 2025 reflects that the company's ability to realise the full economic benefits of the net pensions asset of £3,417,000 (2024: £797,000), calculated under the accounting standards for post-employment benefits, through reductions in future employer's contributions is limited, due to the company's LGPS funding commitments.

Defined benefit obligation

Changes in the defined benefit obligation are as follows:

	2025 £
Present value at start of year	13,669,000
Current service cost	484,000
Past service cost	55,000
Interest cost	673,000
Benefits paid net of transfers in	(373,000)
Contributions by scheme participants	193,000
Experience loss on defined benefit obligations	(27,000)
Change in demographic assumptions	(32,000)
Change in financial assumptions	(2,678,000)
Present value at end of year	11,964,000

Fair value of scheme assets

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

	2025 £
Fair value at start of year	14,466,000
Interest income	749,000
Return on plan assets, excluding amounts included in interest income/(expense)	(212,000)
Employer contributions	567,000
Contributions by scheme participants	193,000
Benefits paid	(373,000)
Administrative expenses	(9,000)
Fair value at end of year	15,381,000

Analysis of assets

The major categories of scheme assets are as follows:

	2025 £	2024 £
Cash and cash equivalents	397,000	326,000
Equity instruments	10,064,000	9,745,000
Debt instruments	3,640,000	3,287,000
Property	1,279,000	1,111,000
Other assets	1,000	(3,000)
	15,381,000	14,466,000

Return on scheme assets

	2025 £	2024 £
Return on scheme assets	537,000	1,476,000

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

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

Principal actuarial assumptions

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

	2025 %	2024 %
Discount rate	5.90	4.95
Future salary increases	3.85	3.90
Future pension increases	2.85	2.90
Inflation	3.10	3.15

Post retirement mortality assumptions

	2025 Years	2024 Years
Current UK pensioners at retirement age - male	21.00	22.00
Current UK pensioners at retirement age - female	23.00	23.00
Future UK pensioners at retirement age - male	23.00	23.00
Future UK pensioners at retirement age - female	24.00	24.00

15 Share capital

Allotted, called up and fully paid shares

	2025		2024	
	No.	£	No.	£
Ordinary shares of £1 each	3	3	3	3

16 Commitments

Other financial commitments
The Company entered into one commitment at the year end relating to the Finance Convergence project.
The total amount contracted for but not provided in the financial statements was £180,935 (2024 - £200,017).

17 Related party transactions

Key management personnel

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

Key management compensation

	2025 £	2024 £
Salaries and other short term employee benefits	113,857	81,142
Post-employment benefits	19,523	15,660
	133,380	96,802

Summary of transactions with other related parties
Entities with joint control over the company
The company recognised turnover of £9,929,867 (2024: £9,451,579) to the Councils which jointly control it. At the year end £159,379 (2024: £136,177) was owed to the company by the Councils.

Entities under common control
During the year an entity under common control received services from the company to the value of £1,268 (2024: £1,358). At the year end £nil (2024: £nil) was owed to the company by the company under common control.

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Registered number: 06828415

EXETER SCIENCE PARK

FINANCIAL STATEMENTS

INFORMATION FOR FILING WITH THE REGISTRAR

FOR THE YEAR ENDED 31 MARCH 2025

TUESDAY
AEF2U91L
A03 11/11/2025 #46
COMPANIES HOUSE

Bishop Fleming

CHAIRMAN'S STATEMENT
FOR THE YEAR ENDED 31 MARCH 2025

The chairman presents his statement for the period.

The past year has been characterised by steady consolidation and strategic foresight, as Exeter Science Park marked its 10th anniversary and laid the foundations for its next phase of planned development.

As part of these preparations, in July 2024 Exeter Science Park Ltd restructured its finances, repaid its Growing Places Fund loan to the Heart of the South West Local Enterprise Partnership and extinguished two loan facilities.

This was made possible by a £7.4 million investment from its shareholders - Devon County Council, East Devon District Council, Exeter City Council, and the University of Exeter - in the form of a debt-for-equity arrangement. This investment reflects the shareholders' continued commitment to the Science Park and its future growth. In addition, land contiguous to the existing site was purchased for £1.5 million in equity, further strengthening the company's balance sheet.

Exeter Science Park is now entering its next phase of growth, during which it will seek significant investment of between £150 million and £200 million to realise its long-term vision. We remain committed to completing the development by the late 2030s, with the ambition of supporting up to 3,500 jobs and generating £350 million in annual turnover.

To support this ambition, the Science Park is working in partnership with Devon County Council and East Devon District Council on a Local Development Order (LDO) for the Park. This will streamline the planning process, provide greater certainty, and reduce costs and delays for developers - enhancing the site's attractiveness to investors and enabling the efficient delivery of sustainable, innovation-led development.

A further benefit to future investors is the newly-opened voco Zeal Exeter Science Park, a net zero carbon hotel that launched in spring 2024. With a strong focus on innovation in its design, construction, and operations, the hotel is culturally well-aligned with the Science Park's sustainability goals and will add value to both the business community and the wider economy.

Exeter Science Park's event and conference space continues its growth trajectory, with a 22% increase in income. The café has seen higher footfall, driven by rising occupancy across the Park and more visitors from the local community. New companies are using the expanded event space, alongside repeat bookings from existing users and tenants. We anticipate that the new hotel will further drive demand for conferences and events in the year ahead.

Now home to 45 businesses and supporting over 750 jobs, Exeter Science Park offers flexible leases and tailored support that enable companies to scale effectively. Many have expanded their footprint within the Park, taking full advantage of the facilities on offer as well as the supportive ecosystem.

Exeter Science Park is now poised for further growth, aiming to create more high-value jobs through the provision of high-quality office and laboratory facilities - from 100 square feet for start-ups to several thousand square feet for larger companies - as part of our vibrant, STEMM-focused community.

Exeter Science Park has grown fivefold since 2017 and none of this could have happened without the knowledge, skills and experience of its board and executive team and we thank them for their dedication and commitment. In particular, we thank the five non-executive directors who departed in 2024 who have supported Exeter Science Park through a period of unprecedented change. We feel fortunate that we can welcome five new non-executive directors who will support our further growth.

However, there has been a succession plan in place since early 2023 for two key roles. My appointment as Chair at the start of July 2025 ended the first phase and we thank Nick Ames for his guidance and leadership as Chair over the last five years; and Sally Basker's retirement and the appointment of a new Chief Executive will conclude the second phase at the end of June 2026.

This succession plan enables a smooth transition and will ensure continuity and give confidence to our key stakeholders as we continue to focus on the delivery of long-term growth for the benefit of our wider region.

E J F Roberts
Chairman

Date 30 October 2025

EXETER SCIENCE PARK
REGISTERED NUMBER:06828415

STATEMENT OF FINANCIAL POSITION
AS AT 31 MARCH 2025

	Note		2025 £		2024 £
Fixed assets					
Intangible assets	5		**3,007**		10,525
Tangible assets	6		**18,857,130**		16,975,925
			18,860,137		16,986,450
Current assets					
Debtors: amounts falling due within one year	7	**575,073**		553,149	
Cash at bank and in hand		**1,022,198**		1,745,140	
		1,597,271		2,298,289	
Creditors: amounts falling due within one year	8	**(704,336)**		(8,349,913)	
Net current assets/(liabilities)			**892,935**		(6,051,624)
Total assets less current liabilities			**19,753,072**		10,934,826
Creditors: amounts falling due after more than one year	9		**(2,135,436)**		(2,371,751)
Provisions for liabilities					
Deferred tax	11		**(2,469,031)**		(2,404,822)
Net assets			**15,148,605**		6,158,253
Capital and reserves					
Called up share capital			**13,275,230**		4,401,100
Profit and loss account			**1,873,375**		1,757,153
			15,148,605		6,158,253

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

The Company has opted not to file the statement of income and retained earnings in accordance with provisions applicable to companies subject to the small companies' regime.

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

E J F Roberts
Director

Date: 30 October 2025

The notes on pages 5 to 14 form part of these financial statements.

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 MARCH 2025

	Called up share capital	Profit and loss account	Total equity
	£	£	£
At 1 April 2023	**4,401,100**	**1,528,366**	**5,929,466**
Comprehensive income for the year			
Profit for the year	**-**	**228,787**	**228,787**
At 1 April 2024	**4,401,100**	**1,757,153**	**6,158,253**
Comprehensive income for the year			
Profit for the year	**-**	**116,222**	**116,222**
Contributions by and distributions to owners			
Shares issued during the year	**8,874,130**	**-**	**8,874,130**
At 31 March 2025	**13,275,230**	**1,873,375**	**15,148,605**

The notes on pages 5 to 14 form part of these financial statements.

1. GENERAL INFORMATION

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

2. ACCOUNTING POLICIES

2.1 BASIS OF PREPARATION OF FINANCIAL STATEMENTS

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

The following principal accounting policies have been applied:

2.2 GOING CONCERN

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

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

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

2.3 TURNOVER

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

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

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

2. ACCOUNTING POLICIES (continued)

2.4 GOVERNMENT GRANTS

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

Government grants are recognised using the performance model.

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

The comparative figures include the sale of the land for the development of Zeal Hotel. This has been recognised as grant income to match historic development costs incurred by the Science Park. As there were no conditions on this grant, it has been released in its entirety.

2.5 PENSIONS

DEFINED CONTRIBUTION PENSION PLAN

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

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

2.6 CURRENT AND DEFERRED TAXATION

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

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

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

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

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

2. ACCOUNTING POLICIES (continued)

2.7 INTANGIBLE ASSETS

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

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

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

2. ACCOUNTING POLICIES (continued)

2.8 TANGIBLE FIXED ASSETS

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

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

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

Depreciation is provided on the following basis:

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

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

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

Impairment

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

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

2.9 INVESTMENT PROPERTY

Buildings that are made available for let to tenants are held as investment properties and are subject to annual revaluation by a professional valuer. The valuer used for financial years 2023/24 and 2024/25 was Jones Lang LaSalle (JLL). Any movements in fair value of these assets is recognised as profit or loss.

2.10 CASH AND CASH EQUIVALENTS

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

2. ACCOUNTING POLICIES (continued)

2.11 PROVISIONS FOR LIABILITIES

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

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

2.12 FINANCIAL INSTRUMENTS

The company holds the following financial instruments:

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

All financial instruments are classified as basic.

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

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

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

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

3. EMPLOYEES

The average monthly number of employees, including the directors, during the year was as follows:

	2025	2024
	No.	No.
Average number of employees	**11**	12

4. PROFIT BEFORE TAXATION

The profit before taxation is stated before charging/(crediting):

	2025 £	2024 £
Depreciation and amortisation of assets	**70,781**	75,491
Fair value adjustments to investment property	**(308,923)**	1,140,135
Fees payable for the audit of financial statements	**12,150**	11,650
	(225,992)	1,227,276

5. INTANGIBLE ASSETS

	Website development & Software £
COST	
At 1 April 2024	**22,553**
At 31 March 2025	**22,553**
AMORTISATION	
At 1 April 2024	**12,028**
Charge for the year on owned assets	**7,518**
At 31 March 2025	**19,546**
NET BOOK VALUE	
At 31 March 2025	**3,007**
At 31 March 2024	10,525

6. TANGIBLE FIXED ASSETS

	Freehold Investment property £	Leasehold Investment property £	Furniture, fittings and equipment £	Investment property under construction £	Plant and machinery £	Total £
COST OR VALUATION						
At 1 April 2024	14,080,000	2,370,000	283,827	32,288	554,005	17,320,120
Additions	1,582,091	2,386	985	57,601	-	1,643,063
Revaluations	316,309	(7,386)	-	-	-	308,923
At 31 March 2025	15,978,400	2,365,000	284,812	89,889	554,005	19,272,106
DEPRECIATION						
At 1 April 2024	-	-	137,044	-	207,151	344,195
Charge for the year on owned assets	-	-	38,045	-	32,736	70,781
At 31 March 2025	-	-	175,089	-	239,887	414,976
NET BOOK VALUE						
At 31 March 2025	15,978,400	2,365,000	109,723	89,889	314,118	18,857,130
At 31 March 2024	14,080,000	2,370,000	146,783	32,288	346,854	16,975,925

7. DEBTORS

	2025 £	2024 £
Trade debtors	**200,409**	202,928
Other debtors	**374,664**	350,221
	575,073	553,149

8. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2025 £	2024 £
Loans	**-**	7,671,965
Trade creditors	**110,072**	143,609
Other taxation and social security	**40,852**	33,394
Leases	**46,005**	37,601
Other creditors	**363,439**	309,509
Accruals and deferred income	**143,968**	153,835
	704,336	8,349,913

Included in other creditors are hire purchase liabilites of £41,233 (2024: £51,884) which are secured against the company's assets.

9. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2025 £	2024 £
Leases	**2,086,541**	2,132,546
Deferred Capital Grants	**48,895**	239,205
	2,135,436	2,371,751

The deferred grant relates to LEP funding for the George Parker Bidder Building. Grant has been released on a performance basis using the basket of conditions stated in the LEP funding agreement.

10. LOANS

In July 2024, Exeter Science Park Ltd repaid its Growing Places Fund loan to the Heart of the South West Local Enterprise Partnership, and converted the remaining loan facilities above into equity.

11. DEFERRED TAXATION

	2025 £
At beginning of year	**(2,404,822)**
Charged to profit or loss	**(64,209)**
AT END OF YEAR	**(2,469,031)**

	2025 £	2024 £
Fixed asset timing differences	**(1,991,206)**	(1,975,571)
Short term timing differences	**11,406**	1,012
Capital gains	**(2,259,525)**	(2,134,716)
Losses and other deductions	**1,770,294**	1,704,453
	(2,469,031)	(2,404,822)

12. SHARE CAPITAL

	2025 £	2024 £
ALLOTTED, CALLED UP AND FULLY PAID		
1,327,523 (2024:440,110) Ordinary shares of £10.00 each	**13,275,230**	4,401,100

Ordinary shares have full voting rights and full entitlement to profit and capital distribution.

13. RELATED PARTY TRANSACTIONS

Devon County Council, East Devon District Council, Exeter City Council and University of Exeter hold the controlling shares in Exeter Science Park Limited.

Details of loan and lease obligations are discussed in notes 9, 10 and 11 of these accounts.

University of Exeter is also a tenant in the Science Park Centre. As at 31st March 2025 the following lease was held:

- Unit S02b/c, 2,405 sq feet, ending 24th May 2026

The University of Exeter also has a lease/lease-back arrangement place for the Turing Building as referred to in Notes 9 and 10 above.

On the 31 July 2024, land was received by Devon County Council for the issue of 148,500 fully paid up ordinary shares of £10.00 each.

14. TENANT LEASE COMMITMENTS

Rental income from tenant leases is recognised in the accounts as it becomes due, but lease commitments may span several financial years. The table below shows tenant leases held at 31st March 2025 with their future period commitments to pay rent

	2025 £
Lease commitment in the period:	
1st April 2025 to 31st March 2026	**1,240,751**
1st April 2026 to 31st March 2027	**959,899**
Periods from 1st April 2027 onwards	**2,428,508**
Total	**4,629,158**

15. AUDITORS' INFORMATION

The auditors' report on the financial statements for the year ended 31 March 2025 was unqualified.

The audit report was signed on 31 October 2025 by Mark Munro FCA (Senior statutory auditor) on behalf of Bishop Fleming Audit Limited.

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Exeter City Group Limited

Annual Report and Unaudited Financial Statements
Year Ended 31 March 2025

Registration number: 11404047

Exeter City Group Limited

Balance Sheet

31 March 2025

	Note	2025 £	2024 £
Fixed assets			
Investments	3	3	3
Current assets			
Debtors	4	1	1
Creditors: Amounts falling due within one year	5	(3)	(3)
Net current liabilities		(2)	(2)
Net assets		1	1
Capital and reserves			
Called up share capital	6	1	1
Shareholders' funds		1	1

For the financial year ending 31 March 2025 the company was entitled to exemption from audit under section 480 of the Companies Act 2006 relating to dormant companies.

Director's responsibilities:

- The members have not required the company to obtain an audit of its accounts for the year in question in accordance with section 476; and
- The director acknowledges their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

These accounts have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

Approved and authorised by the director on .....

.....
S E Edwards
Director

Company Registration Number: 11404047

Exeter City Group Limited

Notes to the Unaudited Financial Statements

Year Ended 31 March 2025

1 General information

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

The address of its registered office is:
Exeter City Council Civic Centre
Paris Street
Exeter
Devon
EX11JN

2 Accounting policies

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

Statement of compliance
These financial statements have been prepared in accordance with Financial Reporting Standard 102 Section 1A - 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006.

The company did not trade during the period.

Basis of preparation
These financial statements have been prepared using the historical cost convention except that as disclosed in the accounting policies certain items are shown at fair value.

The accounts are presented in pounds sterling because this is the currency of the economic environment in which the company operates.

Group accounts not prepared
The company is exempt under section 400 of the Companies Act 2006 from the requirement to prepare consolidated financial statements as it and its subsidiary undertakings are included by full consolidation in the consolidated financial statements of its parent.

Investments
Investments in subsidiary companies are held at cost less any impairment identified.

3 Investments in subsidiaries, joint ventures and associates

	2025 £	2024 £
Investments in subsidiaries	3	3

Subsidiaries	**£**
Cost or valuation	
At 1 April 2024	3
Carrying amount	
At 31 March 2025	3
At 31 March 2024	3

Details of undertakings

Details of the investments in which the company holds 20% or more of the nominal value of any class of share capital are as follows:

Undertaking	**Holding**	**Proportion of voting rights and shares held**	
		2025	**2024**
Subsidiary undertakings			
Exeter City Living Limited	Ordinary shares	100%	100%
Exeter City Homes Limited	Ordinary shares	100%	100%
Exeter City Living Property Company Limited	Ordinary shares	100%	100%

All subsidiary companies have the same registered office as that of the company.

Subsidiary undertakings

Exeter City Living Limited

The principal activity of Exeter City Living Limited is the development of residential property.

Exeter City Homes Limited

The principal activity of Exeter City Homes Limited is that of a dormant company. Notice has been given to strike off the company post year end on 2 September 2025.

Exeter City Living Property Company Limited

The principal activity of Exeter City Living Property Company Limited is that of a dormant company. Notice has been given to strike off the company post year end on 2 September 2025.

4 Debtors

	2025 £	2024 £
Other debtors	1	1
	1	1

5 Creditors

	2025 £	2024 £
Due within one year		
Other creditors	3	3

6 Share capital

Allotted, called up and fully paid shares

	2025		2024	
	No.	£	No.	£
Ordinary share of £1 each	1	1	1	1

7 Ultimate parent undertaking

The company's immediate parent is Exeter City Council.

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Exeter City Living Limited

Annual Report and Financial Statements
Year Ended 31 March 2025

Registration number: 11410540

Exeter City Living Limited

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Exeter City Living Limited

Company Information

Director	S E Edwards
Registered office	Exeter City Council Civic Centre Paris Street Exeter EX1 1JN
Auditors	PKF Francis Clark Statutory Auditor Centenary House Peninsula Park Rydon Lane Exeter EX2 7XE

Exeter City Living Limited

Balance Sheet

31 March 2025

	Note	2025 £	2024 £
Current assets			
Debtors	4	4,395	4,304
Cash at bank and in hand		135,437	1,717,229
		139,832	1,721,533
Creditors: Amounts falling due within one year	5	(22,577)	(1,604,300)
Net assets		117,255	117,233
Capital and reserves			
Called up share capital		1	1
Capital contribution reserves	6	4,392,332	4,392,332
Profit and loss account		(4,275,078)	(4,275,100)
Shareholders' funds		117,255	117,233

These financial statements have been prepared and delivered in accordance with the special provisions relating to companies subject to the small companies regime within Part 15 of the Companies Act 2006 and the option not to file the Profit and Loss Account has been taken.

Approved and authorised by the director on .....

.....
S E Edwards
Director

Company Registration Number: 11410540

Exeter City Living Limited

Notes to the Financial Statements

Year Ended 31 March 2025

1 General information

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

The address of its registered office is:
Exeter City Council
Civic Centre
Paris Street
Exeter
EX1 1JN

2 Accounting policies

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

Statement of compliance
These financial statements have been prepared in accordance with Financial Reporting Standard 102 Section 1A - 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. There are no material departures.

Basis of preparation
These financial statements have been prepared using the historical cost convention.

The functional currency of Exeter City Living Limited is considered to be pounds sterling because that is the currency of the economic environment in which the company operates.

Going concern
The financial statements have been prepared on a going concern basis.

During the prior year ended 31 March 2024 a decision was made by the sole Shareholder (Exeter City Council), after an independent review, to wind down the company's operations significantly.

On the 26 March 2024 the Shareholder acquired all remaining work in progress of the company, settled via a reduction in the loan due to the Shareholder. A further payment was made from cash towards the Shareholder loan. The work in progress and cash transferred did not cover the total loan amount due to the Shareholder. The remaining amount due to the Shareholder was waived on 26 March 2024 by the Shareholder and treated as a capital contribution.

The company has continued in a much-reduced capacity for the purpose of managing six leasehold properties.

The Director has obtained confirmation that the Shareholder will continue to provide financial and operational support to the company for the foreseeable future, being at least 12 months from approval of these financial statements.

As such the director believes the going concern basis is appropriate.

Revenue recognition
Turnover comprises the fair value of the consideration received or receivable for the sale of goods and provision of services in the ordinary course of the company's activities. Turnover is shown net of returns, rebates and discounts.

Turnover and profit on the sale of residential property is recognised on the legal completion date.
Turnover from development management services and management fees are recognised as the services are provided.

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

The current corporation tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date.

Financial instruments
Classification
The company holds the following financial instruments:

• Short term trade and other debtors and creditors;
• Other loans; and
• Cash and bank balances.

All financial instruments are classified as basic.

Recognition and measurement
The company has chosen to apply the recognition and measurement principles in FRS102.

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

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

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

3 Staff numbers

The average number of persons employed by the company during the year was 2 (2024: 2).

4 Debtors

	2025 £	2024 £
Trade debtors	3,584	1,193
Prepayments and accrued income	149	2,450
Other debtors	662	661
	4,395	4,304

5 Creditors

	2025 £	2024 £
Due within one year		
Trade creditors	265	716,421
Taxation and social security	920	776,316
Accruals and deferred income	21,392	111,438
Other creditors	-	125
	22,577	1,604,300

6 Reserves

The capital contribution reserve represents loan balances waived by the ultimate parent.

7 Ultimate parent undertaking

The parent entity preparing consolidated accounts including the company is Exeter City Council.

The registered office of Exeter City Council is that of Exeter City Living Limited as disclosed in note 1.

8 Audit report

The Independent Auditors' Report was unqualified. The name of the Senior Statutory Auditor who signed the audit report was Tom Beable (FCA), who signed for and on behalf of PKF Francis Clark on .....

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REGISTRAR OF
COMPANIES

South West Audit Partnership Limited

Annual Report and Financial Statements
Year Ended 31 March 2025

Registration number: 08215338

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A21 01/08/2025 #28
COMPANIES HOUSE

Docusign Envelope ID: 0374BF70-C929-424C-B86A-82AC6D45E541

South West Audit Partnership Limited

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Docusign Envelope ID: 0374BF70-C929-424C-B86A-82AC6D45E541

South West Audit Partnership Limited

Company Information

Directors	E Watkin
	J E Neilson
	E N McDowell
	L B Stone
	R D Clarke
	N M Sjogren
	K R Crabtree
Company secretary	C Gunn
Registered office	Ground Floor Blackbrook Gate 1 Blackbrook Business Park Taunton Somerset TA1 2PX
Auditors	PKF Francis Clark Statutory Auditor Sigma House Oak View Close Edginswell Park Torquay TQ2 7FF

Docusign Envelope ID: 0374BF70-C929-424C-B86A-82AC6D45E541

South West Audit Partnership Limited

Balance Sheet

31 March 2025

	Note	2025 £	2024 £
Fixed assets			
Intangible assets	4	-	9,558
Tangible assets	5	57,964	11,348
		57,964	20,906
Current assets			
Debtors	6	471,830	355,261
Cash at bank and in hand		1,011,696	1,035,479
		1,483,526	1,390,740
Creditors: Amounts falling due within one year	7	(412,562)	(426,682)
Net current assets		1,070,964	964,058
Net assets		1,128,928	984,964
Capital and reserves			
Members' contributions		179,380	179,380
Profit and loss account		949,548	805,584
Total equity		1,128,928	984,964

These financial statements have been prepared and delivered in accordance with the special provisions relating to companies subject to the small companies regime within Part 15 of the Companies Act 2006 and the option not to file the Profit and Loss Account has been taken.

Approved and authorised by the Board on 30 July 2025 and signed on its behalf by:

R D Clarke
Director

Signed by:
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Company Registration Number: 08215338

Docusign Envelope ID: 0374BF70-C929-424C-B86A-82AC6D45E541

South West Audit Partnership Limited

Notes to the Financial Statements

Year Ended 31 March 2025

1 General information

The company is a company limited by guarantee, incorporated in England, and consequently does not have share capital. Each of the members is liable to contribute an amount not exceeding £1 towards the assets of the company in the event of liquidation.

The address of its registered office is:
Ground Floor
Blackbrook Gate 1
Blackbrook Business Park
Taunton
Somerset
TA1 2PX

2 Accounting policies

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

Statement of compliance
These financial statements have been prepared in accordance with Financial Reporting Standard 102 Section 1A - 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', including Section 1A, and the Companies Act 2006. There are no material departures from FRS102.

Basis of preparation
These financial statements have been prepared using the historical cost convention except that as disclosed in the accounting policies certain items are shown at fair value.

Going concern
The directors are satisfied that the company has adequate resources available to discharge its obligations as they fall due for a period of at least 12 months from the date of approval of these financial statements. In making their assessment, the directors have fully considered the impact of the current uncertain economic environment and its potential impact on cash flow and working capital requirements. The company therefore continues to adopt the going concern basis in preparing its financial statements.

Revenue recognition
Turnover represents amounts chargeable, net of value added tax, in respect of the sale of services to customers. Revenue is recognised upon delivery of services to customers.

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

Amortisation
Amortisation is provided on intangible assets so as to write off the cost, less any estimated residual value, over their useful life as follows:

Docusign Envelope ID: 0374BF70-C929-424C-B86A-82AC6D45E541

Asset class	Amortisation method and rate
Computer software	3 years straight line

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

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

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

Asset class	Depreciation method and rate
Office equipment	4 years straight line
Fixtures and fittings	4 years straight line

Leases
Rentals payable under operating leases are charged to the profit and loss account on a straight line basis over the lease term.

Defined contribution pension obligation
The company operates a defined contribution pension scheme. Contributions are recognised in the profit and loss account in the period in which they became payable in accordance with the rules of the scheme.

Defined benefit pension obligation
The company operates a defined benefit pension scheme for employees. The assets of the scheme are held separately from those of the company as part of the Local Government Pension Scheme. The liabilities of the pension scheme as measured on an actuarial basis using a projected unit method, and the assets of the scheme are valued at market rate at the balance sheet date. Where the pension scheme is in deficit, this is recognised in full on the balance sheet.

Docusign Envelope ID: 0374BF70-C929-424C-B86A-82AC6D45E541

Financial instruments
Classification
The company holds the following financial instruments:

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

All financial instruments are classified as basic.

Recognition and measurement
The company has chosen to apply the recognition and measurement principles in FRS102.

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

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

3 Staff numbers

The average number of persons employed by the company (including directors) during the year, was 85 (2024 - 82).

4 Intangible assets

	Software costs £	Total £
Cost or valuation		
At 1 April 2024	41,340	41,340
At 31 March 2025	41,340	41,340
Amortisation		
At 1 April 2024	31,782	31,782
Amortisation charge	9,558	9,558
At 31 March 2025	41,340	41,340
Carrying amount		
At 31 March 2025	-	-
At 31 March 2024	9,558	9,558

Docusign Envelope ID: 0374BF70-C929-424C-B86A-82AC6D45E541

South West Audit Partnership Limited

Notes to the Financial Statements

Year Ended 31 March 2025

5 Tangible assets

	Fixtures and fittings £	Office equipment £	Total £
Cost or valuation			
At 1 April 2024	5,210	48,777	53,987
Additions	-	57,697	57,697
Disposals	-	(9,062)	(9,062)
At 31 March 2025	5,210	97,412	102,622
Depreciation			
At 1 April 2024	5,210	37,429	42,639
Charge for the year	-	11,016	11,016
Eliminated on disposal	-	(8,997)	(8,997)
At 31 March 2025	5,210	39,448	44,658
Carrying amount			
At 31 March 2025	-	57,964	57,964
At 31 March 2024	-	11,348	11,348

6 Debtors

	2025 £	2024 £
Trade debtors	246,694	155,736
Prepayments and accrued income	224,820	199,525
Other debtors	316	-
	471,830	355,261

7 Creditors

	2025 £	2024 £
Due within one year		
Trade creditors	28,593	97,028
Social security and other taxes	342,441	296,268
Other creditors	2,668	11,965
Accrued expenses	38,860	21,421
	412,562	426,682

Docusign Envelope ID: 0374BF70-C929-424C-B86A-82AC6D45E541

8 Pension schemes

Defined contribution pension scheme

The company operates a defined contribution pension scheme. The pension cost charge for the year represents contributions payable by the company to the scheme and amounted to £66,678 (2024 - £62,142).

Defined benefit pension schemes
Local Government Pension Scheme (LGPS)

The LGPS is a defined benefit statutory scheme administered in accordance with the Local Government Pension Scheme Regulations 2013/14, is a defined benefit statutory scheme where benefits accrued up to 31 March 2025 are based on final salary and length of service on retirement. Changes to the LGPS came into effect from 1 April 2014 and any benefits accrued from this date will be based on career average re-valued salary.

The Administering Authority for the Fund is Somerset County Council.

The date of the most recent comprehensive actuarial valuation was 31 March 2022. This has been updated to reflect conditions at the balance sheet date. The valuation has been carried out by Barnett Waddingham Public Sector Consulting on the instructions of Somerset County Council.

The valuation of the pension scheme deficit included in the financial statements is calculated in accordance with FRS 102 Section 1A and is purely a valuation for financial statement reporting purposes. The figures provided by Barnett Waddingham were rounded to the nearest thousand.

Reconciliation of scheme assets and liabilities to assets and liabilities recognised

The amounts recognised in the statement of financial position are as follows:

	2025 £	2024 £
Fair value of scheme assets	19,460,000	19,305,000
Present value of defined benefit obligation	(13,087,000)	(15,308,000)
	6,373,000	3,997,000
Impact of asset ceiling	(6,373,000)	(3,997,000)
Defined benefit pension scheme surplus/(deficit)	-	-

Docusign Envelope ID: 0374BF70-C929-424C-B86A-82AC6D45E541

Defined benefit obligation

Changes in the defined benefit obligation are as follows:

	2025 £
Present value at start of year	15,308,000
Current service cost	279,000
Interest cost	743,000
Actuarial gains and losses - changes in assumptions	(2,637,000)
Benefits paid net of transfers in	(734,000)
Contributions by scheme participants	128,000
Present value at end of year	13,087,000

Fair value of scheme assets

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

	2025 £
Fair value at start of year	19,305,000
Interest income	948,000
Return on plan assets less interest	(448,000)
Employer contributions	275,000
Contributions by scheme participants	128,000
Benefits paid net of transfers in	(734,000)
Administration fee paid from scheme assets	(14,000)
Fair value at end of year	19,460,000

Docusign Envelope ID: 0374BF70-C929-424C-B86A-82AC6D45E541

Analysis of assets

The major categories of scheme assets are as follows:

	2025 £	2024 £
Cash and cash equivalents	564,000	558,000
Equity instruments	14,456,000	14,251,000
Gilts	738,000	828,000
Property	1,298,000	1,350,000
Other bonds	2,404,000	2,318,000
	19,460,000	19,305,000

Return on scheme assets

	2025 £	2024 £
Return on scheme assets	500,000	2,208,000

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

Principal actuarial assumptions

The principal actuarial assumptions at the statement of financial position date are as follows:

	2025 %	2024 %
Discount rate	5.85	4.95
Future salary increases	3.85	3.90
Future pension increases	2.85	2.90
Inflation	3.10	3.15

9 Financial commitments, guarantees and contingencies

Amounts not provided for in the balance sheet

The total amount of financial commitments not included in the balance sheet is £419 (2024 - £4,268). This relates to the future obligations of the company payable under non-cancellable operating leases.

10 Audit report

The Independent Auditors' Report was unqualified. The name of the Senior Statutory Auditor who signed the audit report was Martin Hobbs BSc ACA, who signed for and on behalf of PKF Francis Clark on 31 July 2025

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EXETER BUSINESS CENTRE LIMITED

Company limited by guarantee

Company Registration Number:
01995933 (England and Wales)

Unaudited statutory accounts for the year ended 31 March 2025

Period of accounts

Start date: 01 April 2024

End date: 31 March 2025

EXETER BUSINESS CENTRE LIMITED

Company limited by guarantee

Contents of the Financial Statements

for the Period Ended 31 March 2025

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Income and Expenditure Account - 5

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Balance sheet notes - 11

EXETER BUSINESS CENTRE LIMITED

Company limited by guarantee

Company Information

for the Period Ended 31 March 2025

Director:	Cllr Duncan Wood Cllr Paul Knott Cllr Amy Sparling
Registered office:	39 Marsh Green Road Marsh Barton Exeter Devon EX2 8PN
Company Registration Number:	01995933 (England and Wales)

EXETER BUSINESS CENTRE LIMITED

Company limited by guarantee

Directors' Report Period Ended 31 March 2025

The directors present their report with the financial statements of the company for the period ended 31 March 2025

Principal Activities

The principal activity of the company continued to be that of letting industrial units for small enterprises.

Directors

The directors shown below have held office during the whole of the period from 01 April 2024 to 31 March 2025
Cllr Duncan Wood
Cllr Paul Knott

The director(s) shown below resigned during the period
Cllr Amy Sparling
06 May 2024

This report was approved by the board of directors on 4 June 2025
And Signed On Behalf Of The Board By:

Name: Cllr Duncan Wood
Status: Director

Name: Cllr Paul Knott
Status: Director

EXETER BUSINESS CENTRE LIMITED

Company limited by guarantee

Income and Expenditure Account

for the Period Ended 31 March 2025

	Notes	*2025*	*2024*
		£	*£*
Turnover		**278,314**	253,051
Gross surplus or (deficit)		**278,314**	253,051
Administrative Expenses		**(296,260)**	(335,095)
Operating surplus or (deficit)		**(17,946)**	(82,044)
Surplus or (deficit) before tax		**(17,946)**	(82,044)
Surplus or (deficit) for the period		**(17,946)**	(82,044)

The notes form part of these financial statements

EXETER BUSINESS CENTRE LIMITED

Company limited by guarantee

Balance sheet

As at 31 March 2025

	Notes	*2025*	*2024*
		£	*£*
Fixed assets			
Tangible assets:	4	**2**	2
Total fixed assets:		**2**	2
Current assets			
Debtors:	5	**31,773**	32,962
Cash at bank and in hand:		**5,732**	15,684
Total current assets:		**37,505**	48,646
Creditors: amounts falling due within one year:	6	**(49,158)**	(42,354)
Net current assets (liabilities):		**(11,653)**	6,292
Total assets less current liabilities:		**(11,651)**	6,294
Total net assets (liabilities):		**(11,651)**	6,294

The notes form part of these financial statements

EXETER BUSINESS CENTRE LIMITED

Company limited by guarantee

Balance sheet continued

As at 31 March 2025

	Notes	*2025*	*2024*
		£	*£*
Reserves			
Income and expenditure account		**(11,651)**	6,294
Members funds		**(11,651)**	6,294

For the year ending 31 March 2025 the company was entitled to exemption under section 477 of the Companies Act 2006 relating to small companies.

The members have not required the company to obtain an audit in accordance with section 476 of the Companies Act 2006.

The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

These accounts have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies regime.

This report was approved by the board of directors on 4 June 2025
And Signed On Behalf Of The Board By:

Name: Cllr Duncan Wood
Status: Director

Name: Cllr Paul Knott
Status: Director

The notes form part of these financial statements

1. Accounting policies

Basis of measurement and preparation

These financial statements have been prepared in accordance with the provisions of Section 1A (Small Entities) of Financial Reporting Standard 102

Turnover policy

Rental and service charge income is recognised in the period to which it relates. Grants are recognised when received.

Tangible fixed assets depreciation policy

Depreciation of fixed assets is calculated to write off their costs or valuation less any residual value over their estimated useful lives as follows:

Leasehold land and buildings - straight line over the remaining period of the lease

Equipment - 10 years straight line

2. Employees

	2025	*2024*
Average number of employees during the period	**2**	2

3. Off balance sheet disclosure

No

4. Tangible assets

	Land & buildings	Fixtures & fittings	Total
Cost	£	£	£
At 01 April 2024	**250,372**	**15,119**	**265,491**
Additions	**-**	**-**	**-**
Disposals	**-**	**-**	**-**
Revaluations	**-**	**-**	**-**
Transfers	**-**	**-**	**-**
At 31 March 2025	**250,372**	**15,119**	**265,491**
Depreciation			
At 01 April 2024	**250,371**	**15,118**	**265,489**
Charge for year	-	-	-
On disposals	**-**	**-**	**-**
Other adjustments	**-**	**-**	**-**
At 31 March 2025	**250,371**	**15,118**	**265,489**
Net book value			
At 31 March 2025	**1**	**1**	**2**
At 31 March 2024	**1**	**1**	**2**

5. Debtors

	2025	*2024*
	£	*£*
Trade debtors	**31,773**	32,962
Total	**31,773**	32,962

6.Creditors: amounts falling due within one year note

	2025	*2024*
	£	*£*
Trade creditors	**34,017**	33,561
Taxation and social security	**565**	
Other creditors	**14,576**	8,793
Total	**49,158**	42,354

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DEXTCO LIMITED

Unaudited Financial Statements

For the financial year ended 31 December 2024

Pages for filing with the registrar

DEXTCO LIMITED
UNAUDITED FINANCIAL STATEMENTS
For the financial year ended 31 December 2024

Contents

Balance Sheet 3
Notes to the Financial Statements 4

DEXTCO LIMITED
BALANCE SHEET
As at 31 December 2024

	Note	2024	2023
		£	£
Current assets			
Debtors			
- due after more than one year	3	6,377	6,377
Cash at bank and in hand		15,531	17,784
		21,908	**24,161**
Creditors: amounts falling due within one year	4	(1,976)	(1,692)
Net current assets		**19,932**	**22,469**
Total assets less current liabilities		**19,932**	**22,469**
Net assets		**19,932**	**22,469**
Capital and reserves			
Called-up share capital	5	5	5
Share premium account		25,000	25,000
Profit and loss account		(5,073)	(2,536)
Total shareholders' funds		**19,932**	**22,469**

For the financial year ending 31 December 2024 the Company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Directors' responsibilities:

- The members have not required the Company to obtain an audit of its financial statements for the financial year in accordance with section 476;
- The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements; and
- These financial statements have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies regime and a copy of the Profit and Loss Account has not been delivered.

These financial statements have been prepared in accordance with the provisions of FRS 102 Section 1A – small entities. The financial statements of DEXTCo Limited (registered number: 10506296) were approved and authorised for issue by the Board of Directors on 18 July 2025. They were signed on its behalf by:

H H Smith
Director

1. Accounting policies

The principal accounting policies are summarised below. They have all been applied consistently throughout the financial year and to the preceding financial year, unless otherwise stated.

General information and basis of accounting

DEXTCo Limited (the Company) is a private company, limited by shares, incorporated in the United Kingdom under the Companies Act 2006 and is registered in England and Wales.

The address of the Company's registered office is:
Centenary House Peninsula Park
Rydon Lane
Exeter
EX2 7XE

The principal place of business is:
Royal Devon and Exeter NHS
Foundation Trust
Barrack Road
Exeter
EX2 5DW

The financial statements have been prepared under the historical cost convention, modified to include certain items at fair value, and in accordance with Section 1A of Financial Reporting Standard 102 (FRS 102) 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' issued by the Financial Reporting Council and the requirements of the Companies Act 2006 as applicable to companies subject to the small companies regime. There has been no material departure from FRS102.

The financial statements are presented in pounds sterling which is the functional currency of the Company and rounded to the nearest £.

Going concern

The directors have assessed the Balance Sheet and likely future cash flows at the date of approving these financial statements. The directors have a reasonable expectation that the Company has adequate resources to continue in operational existence and to meet its financial obligations as they fall due for at least 12 months from the date of signing these financial statements. Accordingly, they continue to adopt the going concern basis in preparing the financial statements.

Turnover

Grant income received is deferred and released against corresponding expenditure as it arises. Where income is received in advance of meeting any performance-related conditions there is not unconditional entitlement to the income and its recognition is deferred and included in creditors as deferred income until the performance-related conditions are met.

Financial instruments

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument.

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the Company after deducting all of its liabilities.

Financial assets and liabilities are only offset in the Balance Sheet when, and only when there exists a legally enforceable right to set off the recognised amounts and the Company intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Basic financial assets
Basic financial assets receivable within one year, such as trade debtors and bank balances, are measured at transaction price less any impairment.

Basic financial assets receivable within more than one year are measured at amortised cost less any impairment.

Financial assets are derecognised when and only when the contractual rights to the cash flows from the financial asset expire or are settled, or the Company transfers to another party substantially all of the risks and rewards of ownership of the financial asset, or the Company, despite having retained some, but not all, significant risks and rewards of ownership, has transferred control of the asset to another party.

Basic financial liabilities
Basic financial liabilities that have no stated interest rate and are payable within one year, such as trade creditors, are measured at transaction price.

Other basic financial liabilities are measured at amortised cost.

Financial liabilities are derecognised when the company's contractual obligations expire or are discharged or cancelled.

2. Employees

	2024	2023
	Number	Number
Monthly average number of persons employed by the Company during the year, including directors	0	0

3. Debtors

	2024	2023
	£	£
Debtors: amounts falling due after more than one year		
Other debtors	6,377	6,377

4. Creditors: amounts falling due within one year

	2024	2023
	£	£
Other creditors	1,976	1,692

5. Called-up share capital

	2024	2023
	£	£
Allotted, called-up and fully-paid		
5 Ordinary shares of £ 1.00 each	5	5

6. Related party transactions

In previous years the following shareholders provided the company with grants. The amounts due by each of the shareholders at the year end is as follows:-

Exeter City Council £1,589
RD&E NHS Foundation Trust £1,596
The University of Exeter £1,596
Teignbridge District Council £1,596

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Registered Number 09853521

MONKERTON HEAT COMPANY LIMITED

Dormant Accounts

30 November 2024

Balance Sheet as at 30 November 2024

	2024	2023
	£	£
Current assets		
Cash at bank and in hand	6	6
Net assets	**6**	**6**
Issued share capital		
6 Ordinary Shares of £ 1 each	6	6
Total Shareholder funds	**6**	**6**

STATEMENTS

a. For the year ending 30 November 2024 the company was entitled to exemption under section 480 of the Companies Act 2006 relating to dormant companies.
b. The members have not required the company to obtain an audit in accordance with section 476 of the Companies Act 2006.
c. The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.
d. These accounts have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

Approved by the Board on 22 August 2025

And signed on their behalf by:
Laura Cork, Director

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Notice of by Councillor Wood under Standing Order 6

To be seconded by Cllr Miller-Boam

Motion: Residential Management Companies

This Council notes:

The increasing use of private management companies on new residential estates in Exeter to maintain roads, open spaces and shared facilities.

That many residents experience poor service, rising costs and a lack of transparency, while having limited rights to challenge or change their management company.

That the planning system can shape how estates are designed, adopted and maintained, and therefore has a key role in reducing reliance on private management arrangements.

Key reports and evidence on the performance and of management companies, including:

- **The findings of the *Competition and Markets Authority's Residential Property Management Services Market Study***, highlighting issues with poor transparency, high charges, and lack of leaseholder control.

- The ***Leasehold Advisory Service's National Leasehold Survey (2016)***, which found that 68% of leaseholders had little or no confidence in their managing agents.

- The ***Law Commission's Commonhold and Leasehold Reform reports***, identifying the need for stronger homeowner rights and fairer management structures.

- The ***Housing Ombudsman's Learning from Severe Maladministration*** reports, which detail systemic failings in housing management and governance.

That this is a national issue, and ***Exeter MP Steve Race*** has been working extensively with other Labour Members of Parliament to challenge poor performance and lack of accountability under the current system.

The Labour government's commitment to modernise housing law through the ***Leasehold and Freehold Reform Bill***, and welcomes its plans for further radical reforms to address ongoing issues faced by homeowners and deliver essential change through the upcoming Commonhold White Paper and ***planned Leasehold and Commonhold Reform Bill***.

https://www.gov.uk/government/news/beginning-of-the-end-for-the-feudal-leasehold-system.

This Council believes:

That public areas on new developments, wherever possible, should be designed and built to adoptable standards, so they can be maintained by the City or County Council (or their successor). Where appropriate this may require the provision of a commuted sum to fund ongoing maintenance.

That when private management companies are proposed, residents should be fully informed at about future costs and responsibilities and accountability of services before any homes are sold.

That developers must provide sufficient financial safeguards, including bonds, to ensure essential infrastructure works are completed even if the development or the management company ceases trading.

That stronger regulation is required at a national level to protect homeowners where management companies are unavoidable.

This Council resolves to:

1. Strengthen the use of the planning system to seek adoption by local authorities of roads, play areas, open spaces and other infrastructure where possible, and to consider the provision of a commuted sum for the ongoing maintenance and management of such facilities, in order to limit reliance on private management arrangements.

2. Ensure due diligence in the planning process so that developers have sufficient bonds or other financial guarantees in place to cover the completion of essential infrastructure works.

3. Require developers, through planning conditions or legal agreements, to set out clearly the costs and responsibilities of any proposed management company before homes are sold.

4. Ask the Chief Executive to write to the Secretary of State for Housing, Communities and Local Government calling for stronger national regulation of residential management companies.

5. Work with the Local Government Association and other councils to campaign for reform and highlight the experiences of Exeter residents.

6. Publicise advice and support available to residents who face difficulties with their management companies.

7. The matter of monitoring the implementation of the resolutions be referred to the relevant Scrutiny Committee.

SEATING IN THE GUILDHALL

Chaplain	S151 Officer	**Deputy Lord Mayor Councillor Rolstone (L)**	**Lord Mayor Councillor Jobson (C)**	Chief Executive	Monitoring Officer	Democratic Services

Democratic Services

Strategic Directors

Councillors	Councillors	Councillors		Councillors	Councillors
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)		Read (G) *	Banyard (G) *
Cookson (L)	Pole (L)	Vizard (L)		Rees (G) *	Wetenhall (G) *
Williams, M (L)	Knott (L)	Foale (L)		Ketchin (G) *	Bennett (G) *

	Cllr Wardle (L)	Cllr Asvachin (L)	Cllr Patrick (L)		Cllr Payne (R)	Cllr Mitchell, K (LD) *	Cllr Haigh (I) **	Cllr Hughes (I) **

L:	**Labour:**	**22**
G:	**Green:**	**7***
LD:	**Liberal Democrat**	**4 ***
C:	**Conservative:**	**3**
I:	**Independent**	**2 ** **
R:	**Reform**	**1**

* **Known as the Progressive Group**

** **Known as the Equity Independent Group**

Portfolio Holders	**Portfolio Holder for**
Bialyk:	Leader
Wright	Deputy Leader and Corporate Services, Community & City Centre
Vizard	Climate, Ecological Change and Communities
Williams, R	City Management
Asvachin	Housing, Homelessness Prevention and Customer Services
Wood	Leisure Services & Healthy Living
Foale	Arts, Culture & Tourism
Patrick	City Development

Member Champions	**Member Champion for**
Miller-Boam	Community Safety & Engagement
Darling	Culture & City Centre