

SCRUTINY COMMITTEE - ECONOMY

17 January 2013

Present:

Councillor Crow (Chair)

Councillors Brock, Baldwin, Bialyk, Bull, Choules, Crew, Lyons, Mottram, Pearson, Prowse, Robson and Wardle

Also present:

Strategic Director (KH), Strategic Director (MP), Assistant Director Economy, Assistant Director Finance, Senior Accountant, Tourism Development Manager, City Centre Manager and Member Services Officer (SLS)

In attendance:

Councillor Rosie Denham	- Portfolio Holder for Economy and Tourism
Councillor Rachel Sutton	- Portfolio Holder for Sustainable Development and Transport

Also in attendance:

John Rigby	Chair of the Exeter and East Devon Low Carbon Task Group
Anthony Norton	Head of the Centre for Energy and the Environment, Exeter University

1 Minutes

The minutes of the meeting held on 8 November 2012 were taken as read, and signed by the Chair as correct.

2 Declarations of Interest

No disclosable pecuniary interests were declared.

3 Questions from Members of the Council Under Standing Order 20

In accordance with Standing Order 20, a question from Councillor Prowse, was put to the Portfolio Holder for Sustainable Development and Transport.

Councillor Prowse said that he was aware that there had been a significant number of objections made to the proposal to change the banding of parking tariffs at a number of city centre car parks. He was concerned that the change would be effective from 21 January 2013, and there would be little redress other than through the legal system, and sought information on the 'number of lawful objectors to the Parking Places Order 2013.

Copies of the question had previously been circulated to Members. Councillor Sutton, the Portfolio Holder's reply is set out below:-

The period for objections would now close on 21 January 2013. The effective date for implementation, subject to proper consideration of objections, was now 4 February 2013. Councillor Sutton said she was not able to comment on the nature of responses, but understood the total number of e-mails and letters received to date to

be approximately 270. The process is that a meeting would be held between herself, the Leader and the Strategic Director to consider the objections and decide whether to proceed with the proposals. She would endeavour to keep Councillor Prowse updated.

MATTER FOR CONSIDERATION BY SCRUTINY COMMITTEE ECONOMY

4 Exeter and East Devon Low Carbon Task Force - District Heating Networks in Exeter

Councillor Prowse expressed an interest as a Member of Devon County Council.

John Rigby, Chair of the Exeter and East Devon Low Carbon Task Force Group and Anthony Norton, Head of the Centre for Energy and the Environment, University of Exeter gave a presentation to Members on the recent progress and potential for establishing district heating in the Exeter area. A heating network and Combined Heat and Power (CHP) plant would provide an energy efficient means of generating heat and electricity, and provide future economic benefits to the wider community and go some way to address concerns over fuel poverty. Following the City Council's approval of the Core Strategy, decentralised energy networks have been seen as the preferred solution within large scale developments particularly for strategic allocations such as at Monkerton, Newcourt, and the Alphington south west Exeter corridor. A further focus for the Task Group has been on the city centre heating network, which would serve a number of larger energy users in the city centre and the south west Exeter urban extension. The establishment of an Energy Service Company (ESCO) with public sector participation was identified as the most effective way forward.

Anthony Norton also updated Members on the initial results of the Exeter Energy Network Study. He confirmed that a further report, including a business plan, containing a mixed investment model to progress District Heating would be completed later in the spring.

John Rigby responded to a number of comments, reassuring Members that Eon had made a consumer price promise, and although the heating network would extend across the city, it was too ambitious to include the full range of existing properties in the first years of operation. Nevertheless, the investment would have to be made. He also confirmed that the impact on City Council resources currently extended to officer time. It was acknowledged that a significant investment would have to be made to progress future delivery, but that could be recouped through developers in due course.

The Strategic Director (KH) reiterated the City Council's position of being able to benefit from the expertise of John Rigby and Anthony Norton and the significant grant funding which enabled the Cranbrook project to commence.

The Chair thanked John Rigby and Anthony Norton for their informative presentation.

Scrutiny Committee – Economy noted the progress made on negotiations for a Combined Heat and Power plant and heat network at Monkerton, and supported the following: –

- (1) the principle of developing a detailed proposal for an Energy Service Company (ESCO) to deliver a city centre heat network through a District Heating group;

- (2) joint working with other public sector bodies in the Growth Area to devise a viable scheme for this network;
- (3) market testing for this network to establish the likely level of private sector interest; and
- (4) the commissioning of a city wide Energy Strategy.

(Report circulated)

CAPITAL PROGRAMME, FEES AND CHARGES AND ESTIMATES

5 Budget Estimates 2013/14

The Strategic Director (KH) outlined the strategic framework within which the 2013/14 Estimates had been prepared, changes in accounting practices which affected all budgets and any significant changes in the Management Unit estimates. The budget framework, Capital Programme and proposed new schemes for the areas covered by Scrutiny Committee - Economy and proposed 2013/14 Fees and Charges were included as an appendix.

The Government had now announced the provisional two-year local government finance settlement covering 2013/14 and 2014/15. The fundamental grant from Government (the formula funding) for 2013/14 would be £7,811,885, a reduction of £445,922 (5.4%) against 2012/13 adjusted formula funding of £8,257,807.

Scrutiny Committee – Economy noted the draft Revenue Estimates, Capital Programme and proposed Fees and Charges for 2013/14 for further consideration by the Executive.

(Report circulated)

MATTER FOR CONSIDERATION BY THE EXECUTIVE

6 Draft City Centre Strategy for Exeter 2013 - 2022

The City Centre Manager presented a report, updating Members on the preparation of a new City Centre Strategy to cover the period from 2013 to 2022. The current Strategy had reached its conclusion, and a new framework was now needed to maintain the momentum of the recent changes in the city centre, and meet the challenge of the continuing renewal and investment over the next five to ten years. The new Strategy would relate to the Exeter Vision and map out timescales for key developments and activities. It would also provide the basis for in-depth dialogue with a range of stakeholders and key partners. It is intended that the new City Centre Strategy would be published by June 2013.

Members welcomed the report and made the following comments:-

- the City Council's efforts to maintain high city centre standards should be acknowledged and not taken for granted.
- the introduction of 'taxi marshals' to manage taxi queues in the later evening would be welcomed. *The City Centre Manager undertook to pass on this suggestion to the Exeter Night Time Economy Group and the Assistant Director Environment.*

- the apparent exodus from the city centre at 5.00pm, in contrast to the influx of people later in the evening, might have an effect on those visitors remaining in the city in the evening.
- whether there was enough local allegiance, particularly in views of the number of national chains in the High Street to ensure a successful future. *The City Centre Manager reminded Members that Exeter had a good mix of both national firms and a wealth of local independent shops and a successful BID would ensure funding for future projects.*
- nurturing the burgeoning cafe culture seems to have encouraged the older generation to stay in the centre in the evening and he welcomed any opportunity to encourage more cultural activities and venues.
- whether the May deadline was too soon for a further report to Scrutiny, particularly when such a wide consultation exercise was planned.
- it was interesting to consider how 'high streets' were likely to fare over the next decade with the rise of internet sales. *The City Centre Manager agreed this was a challenging issue and at a recent retail conference held in the city centre those businesses who could meet both the online and high street challenge were more likely to succeed.*
- concern for the rise of pockets of graffiti throughout the city. *The Strategic Director confirmed that a working group had been set up to look specifically at this issue, including the identification of the 'tags'.*
- whether any influence could be brought to direct the flow of people in a different direction through the city centre in an effort to stimulate less successful areas of the centre.
- that Members should look at the future funding of Christmas lights in a more measured way. Councillor Bull suggested convening a Christmas Lights Task and Finish Group. *It was proposed the Group should include the Portfolio Holder for Economy and Tourism, the Chair of the Scrutiny Committee - Economy and one Member from each of the political groups represented on the Committee. The Group Leaders would be approached to seek nominations.*
- concern that the gateways to the city and other areas throughout the city including the Bus Station and some pedestrian areas were all in need of being renewed. *The Strategic Director (KH) referred to the significant impact of the Bus and Coach Station development, and the considerable step change that it will make to the evening and night-time economy. The development will transform the centre with the emphasis on leisure rather than retail and the challenge will be to deliver the investment and vision. He acknowledged there had not been the funding to address some of the city's gateway issues and appreciated that this remained a long standing issue. The Strategy should reinforce the continuing commitment and ongoing investment made by the City Council to ensure the city functions and thrives on a day to day basis.*

Scrutiny Committee - Economy supported the following: -

- (1) progress made on the City Centre Strategy to date and on the proposed themes and project work streams;
- (2) development of the City Centre Strategy on the proposed timetable; and

- (3) the presentation of a brief scoping report including the terms of reference for the Task and Finish Group to look at the funding of Christmas lights for the city centre to the next meeting of this Scrutiny Committee, and

recommended Executive to endorse:-

- (4) the draft City Centre Strategy as the basis for public engagement and consultation with stakeholders.

(Report circulated)

MATTERS FOR CONSIDERATION BY SCRUTINY COMMITTEE - ECONOMY

7 Update on the Exeter Visitor Strategy 2012 - 2016

The Tourism Development Manager presented an update on progress on the implementation of the Exeter Visitor Strategy 2012 – 2016. The focus of the Strategy was to continue to improve visitor numbers and support those businesses which depend on visitor expenditure, as well as to increase the profile of Exeter as a vibrant cultural destination.

The Strategy's five priorities of investment; encouraging and supporting market led investment in the visitor economy in Exeter, improving the visitor experience; raising the skills level of the workforce; more targeted visitor marketing and developing the Heart of Devon Tourism Partnership were outlined in detail. These priorities would be taken forward in partnership with tourism's business community and the Heart of Devon Tourism Partnership. There were 161,000 hits on the web site in 2012, a dramatic increase on 2011. Consumer travel web sites such as Trip Advisor were all helping consumers to find the best deal for their online bookings. The Tourism Development Manager responded to a Member comment, confirming that 80,000 hard copies of the Heart of Devon tourism guide were distributed nationally.

The 2013/14 priorities included the continuing development of the Heart of Devon Tourism Partnership, paying particular attention to the promotion of the city in the light of the challenging economic climate and developing less weather dependent attractions.

The Tourism Development Manager responded to Members' comments on the following: -

- the Chinese translation of the Exeter guide was available to the growing foreign student population on the main University campus and through the Guild of Students. She was happy to look at translation into other languages such as Japanese if the numbers warranted it.
- she would continue to liaise with Exeter Airport to receive the latest data on inbound visitor numbers.
- more accurate visitor number figures to the Cathedral were now kept and she would contact the Dean to discuss visitor numbers.
- she would speak to Devon County Council and seek the evidence base for any change in the Park and Ride numbers.
- she would discuss with planning colleagues about existing finger post signage directing visitors to the tourist facility on the corner of Dix's Field.

- she would continue to resolve the most suitable site for the coach dropping off point.
- she was due to meet with the new Chief Executive of Westpoint and would discuss developing even closer links to benefit local hotels and restaurants year round, particularly in the quieter months.

Members congratulated officers on an excellent report.

Scrutiny Committee Economy noted the progress made with implementing the Exeter Visitor Strategy 2012 – 2016 and supported the actions proposed to be undertaken during 2013 and 2014.

(Report circulated)

8 Support for Small Businesses

With the agreement of Members, the report of the Assistant Director, Economy was deferred until the next meeting of Scrutiny Committee Economy on 7 March 2013.

9 Update on Progress for Dealing with Unemployment in Exeter

The Assistant Director Economy updated Members on progress to reduce the level of unemployment within Exeter. The report covered unemployment trends in the city and progress on a range of activities including apprenticeships. He responded to a Member comment on the excellent progress of the City Council's apprentices. A further recruitment drive to fill the one vacancy in the Museum, would take place later in the year to link up with the period of formal training required.

A Member welcomed the progress made by the Employment and Skills Board and the National Apprenticeship Scheme. The Assistant Director Economy agreed that the report confirmed that this had been a worthwhile exercise and provided an opportunity to bid for some significant resources. The Member referred to the latest job seekers allowance data and asked if it could be broken down for Exeter and Devon. The Assistant Director would look into this.

Scrutiny Committee – Economy noted the progress made and that officers would be actively pursuing a range of activity outlined in section 4, and reporting back on the progress to future meetings of the Scrutiny Committee.

(Report circulated)

The meeting commenced at 5.30 pm and closed at 8.15 pm

Chair