

SCRUTINY COMMITTEE - ECONOMY

14 November 2013

Present:

Councillor Leadbetter (Chair)

Councillors Brock, Bialyk, Bowkett, Branston, Bull, Martin, Mottram, Prowse, Robson and Wardle

Apologies:

Councillors Crew and Crow

Also present:

Chief Executive & Growth Director, Assistant Director Economy, Economy and Tourism Manager, Principal Accountant, City Centre Manager, Service Manager Business/Commercial Operations and Democratic Services Officer (Committees) (SLS)

In attendance:

Tim Jones - Chair of Devon and Cornwall Business Council
Nigel Wilcock - Director, Mickeldore Ltd
Jay Milling - Deputy Chair Exeter Cultural Partnership

47 Minutes

The minutes of the meeting held on 5 September 2013 were taken as read and signed by the Chair as correct.

48 Declarations of Interest

No declarations of discloseable pecuniary interests were made.

49 QUESTIONS FROM THE PUBLIC UNDER STANDING ORDER 19

In accordance with Standing Order No. 19, a question from the public, Mr and Mrs Geoff Poad was put, in respect of the opening hours of the Cathedral and Quay Car Park to which the Portfolio Holder for Economy and Culture responded. A copy of the question had been circulated to Members and was made available at the meeting. Mr and Mrs Poad were not present, but a written response would be sent to them. The question and the reply from the Portfolio Holder (in italics) are also appended to the minutes.

Scrutiny Committee - Economy requested that the issues raised by the question be considered as part of an existing Parking Review currently taking place. The outcome would be reported to a future meeting of Scrutiny Committee - Economy.

50 QUESTIONS FROM MEMBERS OF THE COUNCIL UNDER STANDING ORDER 20

In accordance with Standing Order 20, a question from a Member, Councillor Ruffle, was put to the Portfolio Holder for Economy and Culture in relation to the Mary Arches Street Car Park. The Portfolio Holder replied. A copy of the question had previously been circulated to Members. The question and the reply from the Portfolio Holder (in italics) are appended to the minutes.

51 **KEY PROPOSITIONS FROM THE LGA'S PUBLICATIONS - "RE-WIRING PUBLIC SERVICES"**

The Chief Executive and Growth Director reported on the issues arising from the recent visit to Exeter by Sir Merrick Cockell, Chairman of the Local Government Association and his address to local Chief Executives and Members on the LGA's publication - "Re-Wiring Public Services". The document was a response to the funding constraints imposed on local authorities and the need to identify new ways of delivering services. Members were invited to consider the ten key propositions which were subsequently linked to the work of the City Council's Scrutiny Committees.

A Member suggested that the proposition for changing the financial distribution should be devolved to as local a level as possible. It was also considered that a cross party agreement to protect local democracy, enshrining the role of local government as a recommendation should be supported.

Scrutiny Committee – Economy supported the position that the views of the other Scrutiny Committees would also be sought in order to determine the Council's response to the LGA's publication - "Re-Wiring Public Services".

(Report circulated)

52 **UPDATE ON THE HEART OF THE SOUTH WEST LOCAL ENTERPRISE PARTNERSHIP AND ITS EUROPEAN STRUCTURAL AND INVESTMENT FUND STRATEGY**

Councillor Leadbetter declared an interest as a Member of the Heart of the South West Local Enterprise Partnership.

The Economy and Tourism Manager presented a report which updated Members on the Heart of the South West Local Enterprise Partnership priorities (HSWLEP) and the progress made by it to develop a Strategic Economic Plan. The LEP wished to develop a European Structural and Investment Fund Strategy (ESIF) for the period 2014 – 2020, to help secure a potential injection of £118 million investment into Devon and Somerset. The report also provided background on the potential for working with the LEP to address the city's economic development priorities.

Tim Jones, Chair of the Devon and Cornwall Business Council and current Chair of the HSW LEP Board attended the meeting. He referred to the importance of managing expectations as there was an opportunity for Exeter to apply to this fund, and suggested identifying a number of projects, which were in effect ready to go. A Member recalled the high speed bus project which could have made a real impact on the city's traffic congestion. Tim Jones agreed that despite such a competitive environment, projects encouraging green travel would be an ideal type of project to pursue. A Member commented on the potential job losses at Flybe and concern over the future of the FlyBe Training Academy. He also referred to Exeter's employment sustainability and how such success would be measurable. Tim Jones acknowledged the difficulties of accurately measuring success by the LEP, but it may be possible to chart through deliverable projects. Every effort was being made to mitigate any job losses at Flybe. He responded to a comment on developing the skills agenda particularly in relation to combating the growing levels of youth unemployment. It was important to concentrate on the key issue of developing skills to ensure meaningful well paid jobs were created for a local workforce.

The Chief Executive & Growth Director thanked Tim Jones for his hard work and dedication and acknowledged the impact he had made in his tenure as the Chairman of the LEP Board which was due to finish soon. It was noted that Mr Jones would remain on the Board in a private capacity.

Scrutiny Committee - Economy noted the emerging priorities of the LEP as expressed in their draft European Structural and Investment Fund Strategy, and that progress with the LEP's strategic plans and funding bid documents be reported back to future meetings.

(Report circulated)

53 **EXETER KNOWLEDGE ECONOMY CONSULTATION UPDATE**

The Assistant Director Economy introduced the report which presented Members with the recommendations of the consultation and research undertaken for the development of knowledge based Economic Development Strategy for Exeter. Nigel Wilcock from Mickeldore attended and presented an update on the emerging Strategy. He proposed that the vision behind the Strategy would ensure that Exeter would be recognised as the best known city in the South West for innovation. He outlined the practical steps needed to progress the Strategy.

The Chief Executive & Growth Director advised that the implementation of the Strategy should provide the likelihood of greater job prospects in Exeter. The Chair suggested that the Strategy should also recognise the excellent technical and innovative work carried out by both Exeter City and Devon County Councils. Nigel Wilcock advised that they would take the Strategy forward, and would continue to use a range of organisations including ExIST and the Exeter and Heart of Devon Growth Board, but an individual focus group will be needed to champion the work. A Member enquired if there were any challenges for the City Council in delivering any of the actions. The Chief Executive & Growth Director responded, that the City Council did not have the resource, capacity or skills to deliver all of the work, but there was the opportunity to work with key partners to shape the work needed to advance it. He responded to a comment on the challenges of creating collaborative working for the whole sub region, stating that the Strategy provided a vision, which could be focussed for example through the development of the Science Park. He agreed there needed to be early engagement with the identified partners.

Scrutiny Committee – Economy supported the adoption of the knowledge economy strategy as the basis for the economic development strategy to be presented to the City Council for approval, early in 2014.

(Report circulated)

54 **BUDGET MONITORING**

The Principal Accountant presented the report, which detailed the major differences by management unit to the outturn forecast for the first six months of the financial year up to 30 September 2013, which included a variation of 1% from the approved budget. The report also provided an update on budget monitoring for the Economy and Development Capital Programme and potential areas of budgetary risk including the main areas of car parking, planning and property portfolios.

A Member commented on the patronage of the Parr Street and Howell Road car parks. The Chief Executive & Growth Director stated that the Assistant Director

Public Realm had noted the numbers using the car park on a regular basis, and it was part of her brief to address this as a priority. A Member was concerned over the minimum amount taken for payment by credit card, and awaited a reply to a previous question sent to the car parking team. The Service Manager Business /Commercial Services responded to a comment on the Pay and Display machines, which were being updated and enhanced with a mobile phone payment option. He explained that the ticket machines were geared to credit cards which required a minimum payment, rather than debit card use and that this would be addressed in the near future. The cost of equipment able to dispense change for pay and display was prohibitive and the Pay by Phone system being introduced would enable payment of the correct tariff.

Scrutiny Committee – Economy noted the report.

(Report circulated)

55 **CHRISTMAS LIGHTS TASK AND FINISH GROUP UPDATE**

The City Centre Manager presented a report on behalf of the Christmas Lights Task and Finish Group and detailed the progress made in implementing their earlier recommendations. As part of the exercise, the eventual supplier had exceeded the brief to ensure that Bedford Square and the gateways were an important part of the display. Although a core budget of £14,500 was identified as part of a three year commitment, there had been little financial support from other sources. The Christmas lights display would only improve or even be extended if a Business Improvement District was put in place.

A Member highlighted the effort made by the independent sector in Gandy Street, Fore Street, Cowick Street and Magdalen Road and the important role they played to offer a suitable gateway display to the centre of Exeter. The City Centre Manager responded to a Member's comment on the lack of the main retailer's involvement and could not explain their reticence, although there was often a lack of local flexibility to the corporate approach. He fully intended to repeat the requests to businesses next year. He hoped that the Christmas Lights display resulting from the work of the Task and Finish Group would demonstrate to local businesses that a suitable budget was critical to a future light display for Exeter.

Scrutiny Committee – Economy noted the progress in implementing the previously agreed recommendations of the Task and Finish Group.

(Report circulated)

56 **EXETER CULTURAL ACTION PLAN NOVEMBER 2013 TO 2015**

Councillor Denham attended the meeting and spoke to the Scrutiny Committee under Standing Order 44.

The report of the Museums Manager and Cultural Lead on the new two year Cultural Action Plan produced by Exeter Cultural Partnership (ECP) in association with the City Council was submitted to Members. The Action Plan represented the next phase of work to be undertaken by the ECP Steering Group.

Jay Milling, Deputy Chair of the Exeter Cultural Partnership, also attended the meeting and presented the report. He hoped that the range of activities referred to in the Action Plan would develop and strengthen the cultural sector, placing culture at

the heart of the city. He wanted Exeter to be seen as a culturally vibrant city, with a diverse 'offer' attracting more visitors staying longer and so delivering wider economic benefits to the city. The Plan was linked to the City Centre Strategy and there was a huge opportunity for stronger connections to be made between business and local cultural organisations. The forthcoming Rugby World Cup would provide a focus on Exeter and a linked programme of wider cultural activity could provide the platform for building lasting community and business relationships. This was an important development opportunity. Culture also needed to be connected to the wellbeing agenda, driving quality of life and improved health outcomes, all of which contribute to the economic competitiveness of the City.

Members welcomed the Action Plan and made the following comments -

- Whether developing the Cultural Action Plan through the recent Arts Council/Visit England Cultural Destination Programme would mean less funds for local groups. The Museums Manager explained that such national funding streams had in effect a 'firewall' between the individual funding programmes. There were elements of the Action Plan which could stand alone and could apply for other funding opportunities.
- There was appreciation that the Action Plan underscored culture's critical role at the heart of the city, and whether the Exeter City Council logo could be included on each page of the Plan. The Member also suggested that the career progression support outlined in the Plan should conclude with the aspiration of creating sustainable job opportunities for cultural practitioners.

Jay Milling responded to a comment on the importance of involving the overall community by connecting cultural activity and volunteering to the Health and Well-Being agenda. ECP recognised that it was at the beginning of a journey and was reliant at this 'start up' stage on funds from public sources. However, as it developed it was hoped the need for this would diminish as other funding streams and connections were identified.

Councillor Denham referred to the need for ongoing support and engagement as the Action Plan was developed. Some of the activities could be progressed with the alignment of the art grants around the main goals in the Plan, but other areas will also be progressed by the City Council's Economic and Development Team (for instance around the City Centre Strategy, City Tourism and Marketing Strategies, and Public Realm). It was important to grow the relationship with ECP and, through it, engagement with the wider cultural sector to ensure long term positive changes for the city.

Scrutiny Committee – Economy supported the continuing work of the Exeter Cultural Partnership and requested that it and the Portfolio Holder for Economy and Culture be kept informed with at least an annual report of progress of the Action Plan, and requested Executive to approve:-

- (1) the proposed Action Plan and consider its adoption as the City Council's framework document for planning, developing and supporting cultural activities in the city.

(Report circulated)

The Assistant Director Economy presented a report which informed Members of the position regarding void properties as at 30 September 2013, and commercial rent debts for the four quarters ending on the September 2013 quarter day. The report also identified key local property indicators against a relatively robust performance of the portfolio, in respect of regional and national trends.

An update on the new short term voids was provided at the meeting, with the majority of the properties having now been let. The level of net debt had also been revised to a lower figure of £135,000. A request was made for a brief report of any additional updates to be circulated at the meeting, and to include the detail of any outstanding debt written off. The Assistant Director Economy responded to a comment on the individual view taken on whether to take firmer actions on debt, where officers often exercised some discretion and worked with the individual business as soon as a problem was detected. A request for a snapshot of the debt figures over several years in future reports would also help put the latest figures in context.

Scrutiny Committee – Economy noted the report and the performance of the portfolio.

(Report circulated)

58 **TASK AND FINISH GROUPS - SCRUTINY COMMITTEE - ECONOMY**

Nominations had previously been requested for a number of proposed Task and Finish Groups involving Scrutiny Committee – Economy Members. Members were asked for any further nominations for the following:

- Training/Education/Skills/Employability and
- Growth – Marketing Exeter.

RESOLVED that Councillor Bialyk be nominated as a Member of the Growth – Marketing Exeter, Task and Finish Group.

The meeting commenced at 5.30 pm and closed at 8.40 pm

Chair