

## **EXECUTIVE**

Tuesday 15 July 2014

### **Present:**

Councillor Edwards (Chair)

Councillors Denham, Fullam, Hannaford, Leadbetter, Owen, Pearson and Sutton

### **Also present:**

Chief Executive & Growth Director, Assistant Director Economy, Assistant Director Customer Access, Assistant Director Finance, Assistant Director Public Realm, Corporate Manager - Legal, Corporate Manager Democratic and Civic Support, Corporate Manager Property, HR Business Manager, Litigation Solicitor, Senior Area Planning Officer, Housing Options Manager, Senior Housing Development Officer, Scrutiny Programme Officer and Democratic Services Manager (Committees)

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### **DECLARATIONS OF INTEREST**

No declarations of disclosable pecuniary interest were made.

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### **ANNUAL SCRUTINY REPORT 2013/14**

The Scrutiny Programme Officer's report was submitted updating Members on the progress and work of Scrutiny for the period 2013/14 including a synopsis of Task and Finish Group investigations, a review and proposals for the Scrutiny system and timetabling/plans for 2014/15.

Members noted that this report was available on the Council's Web Site.

Scrutiny Committee – Community (17 June 2014), Audit and Governance Committee (25 June 2014), Scrutiny Committee – Economy (26 June 2014), and Scrutiny Committee – Resources (2 July 2014) considered this report and comments of the Members comments were noted.

**RESOLVED** that the report and the progress and direction of Scrutiny over the past year, together with the proposals on direction for the forthcoming year, be noted.

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### **MEMBERS' ALLOWANCES 2014/15**

The report of the Corporate Manager Democratic and Civic Support was submitted setting out the report and recommendations of the City Council's Independent Remuneration Panel in relation to Members' Allowances for 2014/15.

In response to a Member's questions, the Corporate Manager Democratic and Civic Support clarified that the survey would take into consideration the various roles and tasks that Councillors had to undertake within the community and their time commitments as Portfolio Holders and attendance at Council meetings.

**RECOMMENDED** to Council that:-

- (1) the recommendations of the Independent Remuneration Panel, as set out in the report, be agreed;

- (2) a detailed survey be undertaken amongst Councillors to ascertain their time commitments whilst undertaking their various Member roles;
- (3) a representative from the South West Assembly together with an Independent Advisor on Members' Allowances be invited to join this Council's Independent Panel on Members' Allowances, to replace two of the existing Panel members; and
- (4) up to £5,000 be made available to cover any costs associated with the proposed review.

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### **REDESIGN OF THE COUNCIL'S PRIVATE RENTED SCHEMES**

The report of the Assistant Director Housing was submitted updating Members on the redesign of the Council's private rented EXtraLet scheme in pursuit of the authority's corporate objectives of improving access to affordable private sector tenancies and driving up standards in private rental properties.

The Senior Housing Development Officer advised Members of the changes proposed which would allow landlords to tailor the scheme to suit their personal needs and also enable owners to work with their own contractors to undertake maintenance work rather than using the Council's contractors. The properties would still be inspected by the Council to ensure that they met the required standards.

In response to Member's questions, the Senior Housing Development Officer clarified that the scheme would be cost neutral to the Council. The condition of the properties would need to meet Council standards before they were made available to rent and to support this "condition" of properties would be added in under paragraph 6.1 of the report.

**RESOLVED** that the changes proposed to the current direct lettings and in-house management scheme as outlined in this report be approved.

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### **REVIEW INTO THE POLICY FOR ALLOCATING SOCIAL HOUSING - REPORT OF TASK AND FINISH GROUP**

The report of the Assistant Director Customer Access was submitted which updating the findings and recommendations of the Task and Finish Group convened by the Scrutiny Community - Committee to review the Council's allocation of social housing.

The Assistant Director Customer Access advised Members of the recommendations of the task and finish group which would be subject to a robust and wide spread consultation, the results of which would be brought back to Executive to consider.

A Member felt that the changes proposed would help the Council to have a more accurate picture of the city's housing needs and requirements.

The Leader had concerns with regards to registering applicants with a local connection of two years residence in the whole of Devon and why this was not restricted to Exeter residents only.

The Housing Options Manager commented that it was anticipated that the changes proposed would help to bring about more mixed communities and that the city was presently a net exporter of tenants within Devon.

In response to Member's concerns regarding a local connection of two year's residence in Devon, the Portfolio Holder for Housing and Customer Access clarified that all exceptional cases were considered on an individual basis.

Scrutiny Committee – Community considered the report at its meeting on 17 June 2014 and the comments of the Members were noted.

**RESOLVED** that a six week consultation with households on the housing register, partners (housing associations, Devon County Council, neighbouring local authorities, voluntary sector agencies etc) and staff be undertaken on the following:-

- to restrict eligibility for housing to those with an evidenced housing need within the policy and thereby removing Band E;
- to remove applications where people do not bid for 12 months or refuse three properties deemed suitable for their needs
- to give additional priority for working households and those who make a contribution to the local community; and
- to only register applicants with a local connection of two year's residence in Devon;

The outcomes of the consultation to be reported back to Executive.

#### 67                    **CREATION OF AN ADDITIONAL POST OF PROJECT SUPPORT OFFICER IN CITY DEVELOPMENT**

The report of the Assistant Director City Development was submitted updating Members on the recent redesign of City Development and the issues that have arisen in relation to the level of administrative and technical support from Project Support Officers (PSOs). The recommendation was for the creation of an additional full time PSO post (Grade 4) at a direct cost of about £20,600 per annum including overheads.

Members supported the way forward to ensure that there were adequate resources to cope with additional demands within City Development.

**RECOMMENDED** to Council that the City Development establishment be increased by a further full time post of Project Support Officer with effect from Council on 29 July 2014 and that budgets be adjusted accordingly.

#### 68                    **COUNCIL RESPONSE ON PETITION IN RESPECT OF BADGERS**

The report of the Assistant Director Public Realm was submitted in response to a recent e-petition calling for Exeter City Council to prohibit badger culling on Council owned land and to consider the original recommendation in the light of the comments of Scrutiny Committee – Committee and the additional information about likely resource implications provided subsequently.

The Assistant Director Public Realm clarified that as well as the 232 signatures on the e-petition a paper petition with 500 signatures was also submitted, taking the total number of signatures to over 700.

This report had been to Scrutiny Committee – Community on 17 June 2014 and the Committee did not support the recommendation. A motion was proposed and seconded recommending that the petition *to prohibit the culling of badgers on council-owned land and invest in vaccination programmes locally* be supported. This motion was carried.

Whilst the majority of Members supported the need for the Council to comply with the Protection of Badger's Act 1992, some Members were of the opinion that badger culling on Council owned land should be prohibited.

**RESOLVED** that the Council:-

- (1) continue to comply with the Protection of Badger's Act 1992; and
- (2) prohibit badger culling on Council owned land.

(In accordance with Standing Order no.43, Councillor Leadbetter requested that his abstention from voting be recorded)

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### **RUGBY WORLD CUP 2015 UPDATE**

The report of the Assistant Director Economy was submitted updating Members on the progress with preparations for the Rugby World Cup in September/October 2015.

Members noted the update.

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### **FUTURE OF THE WATERWAYS**

The report of the Assistant Director Public Realm was submitted which sets out the latest position with regard to the management of the Estuary, Quay, Basin and Canal and the outstanding draft Harbour Revision Order (HRO).

The Assistant Director Public Realm reported that in 2008, following lengthy deliberation, a HRO was submitted to the Department for Transport to allow for the Council's interests in the Exe Estuary to be divested to a Trust Port. This request was held in abeyance until very recently when the application was recently rejected by the Marine Management Organisation (the successor in this respect to the Department of Transport). They considered that the HRO would not achieve the statutory objectives. Following a reassessment in respect of the future management of the waterways and the current financial pressures on the City Council, it was considered that the option of a Trust Port should not be pursued. Work would continue to consider alternatives which would be carried out in consultation with the users of the Port of Exeter area and other stakeholders and the outcome will be reported back to Members in due course.

Members discussed the timescales involved and the need to ensure that there was a robust and clear timetable for open and concise consultation with all the user groups involved. There was also a need to work with the other local authorities who had an interest in the Estuary including Devon County Council.

The Portfolio Holder for Economy and Culture commented that Scrutiny Committee – Economy would be updated on progress on a regular basis. There was a need to move the management of the Estuary forward whilst ensuring that all organisations that use the Estuary were positively engaged.

Scrutiny Committee – Economy considered the report at its meeting on 26 June 2014 and the comments of the Members were noted.

**RECOMMENDED** to Council that:-

- (1) the draft Harbour Revision Order submitted to the Department of Transport is no longer viable and should not be pursued, and an alternative course of action was now required for the management of the Estuary, Quay, Basin and Canal; and
- (2) a review be undertaken of the options open to the City Council in respect of the future management of the Estuary, Quay, Basin and Canal, in consultation with users of the Port of Exeter area.

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**UPDATE ON CONSORTIUM BID FOR MAJOR ARTS COUNCIL FUNDING FOR THE RAMM**

The report of the Assistant Director Economy was submitted outlining the content of RAMM's bid to the Arts Council Major Partner Museum Grants Programme, 2015/16, 2016/17 and 2017/18.

The Assistant Director Economy advised Members of the successful bid to the Arts Council Funding for operational activities that had been made as a Member of the Peninsula Consortium with Plymouth Museum & Art Gallery. The funding of £515,479 would come on stream in April 2015 and would be a period of three years.

In response to a Member's question, the Portfolio Holder for Economy and Culture clarified that these funds would be used to fund extra programme of works that would otherwise not have taken place.

Members congratulated the staff involved in putting this successful bid together.

Scrutiny Committee – Economy considered the report at its meeting on 26 June 2014 and the comments of the Members were noted.

**RESOLVED** that the RAMM's bid to the Arts Council for a Major Partner Museum Grants Programme covering the period of 2015/16, 2016/17 and 2017/18 be endorsed.

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**EXETER ECONOMIC DEVELOPMENT STRATEGY**

The report of the Assistant Director Economy was submitted to seeking approval and comment on the new Economic Development Strategy for Exeter, based on the draft Knowledge Economy Strategy, which had been adopted by Scrutiny Committee - Economy on 14 November 2013. The strategy had also taken into account the contribution and impact other adopted city strategies have on the economy of Exeter.

The Portfolio Holder for Economy and Culture commented that there was a need to further develop and establish the 'knowledge economy' by attracting and growing existing science and technology organisations. There was also a need to work with the neighbouring authorities to continue to promote the adoption of the living wage as a minimum level of pay and to work across the city and the wider economy.

The Portfolio Holder for Economy and Culture proposed an additional recommendation:-

'That the City Council work with neighbouring public authorities to adopt the Living Wage as the standard for their lowest paid employees and to promote this principle and the benefit of paying the Living Wage to employers in general across Exeter and its wider economy'.

This was agreed.

Members welcomed the way forward to continue to attract new organisations and develop and support existing organisations, and to look to address the issue of low wages within the city and the adjoining authorities.

Scrutiny Committee – Economy considered the report at its meeting on 26 June 2014 and the comments of the Members were noted.

**RESOLVED** that the:-

- (1) Exeter Economic Development Strategy be approved; and
- (2) City Council work with neighbouring public authorities to adopt the Living Wage as the standard for their lowest paid employees and to promote this principle and the benefit of paying the Living Wage to employers in general across Exeter and its wider economy.

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**CAPITAL MONITORING 2014/15 AND REVISED CAPITAL PROGRAMME FOR 2014/15 AND FUTURE YEARS**

The report of the Assistant Director Finance was submitted, reporting on the current position of the overall financial performance of the Council for the 2013/14 financial year, in respect of the annual capital programme and to seek approval of the 2014/15 revised capital programme, including commitments carried forward from 2013/14.

Members were advised that Capital expenditure in the year amounted to £11,829,575, a reduction of £2,998,845 on the planned figure of £14,828,420. The actual expenditure during 2013/14 represented 79.8% of the total approved for the revised Capital Programme, which meant £2.5 million would be carried forward to be spent in future years.

Members were advised of the expenditure with regards to the replacement of the Fire Walls which was required to ensure data security.

Scrutiny Committee – Resources considered the report at its meeting on 2 July 2014 and the comments of the Members were noted.

**RECOMMENDED** that the Council notes and approves the:-

- (1) overall position in respect of the 2013/14 annual capital programme; and
- (2) amendments and further funding request to the Council's annual capital programme for 2014/15.

## **OVERVIEW OF THE REVENUE BUDGET 2014/15**

The report of the Assistant Director Finance was submitted, advising Members of the overall financial position of the Housing Revenue Account (HRA) and General Fund Revenue Budgets for the 2013/14 financial year and to seek approval for the General Fund working balance, HRA working balance, a number of supplementary budgets and the creation of new earmarked reserves.

Scrutiny Committee – Resources considered the report at its meeting on 2 July 2014 and the comments of the Members were noted.

**RECOMMENDED** that Council:-

- (1) approves the net transfer of £3,419,871 to Earmarked Reserves as detailed in paragraph 8.3.6;
- (2) approves the supplementary budget of £267,310 as details in paragraph 8.3.8;
- (3) notes Earmarked Reserves at 31 March 2014;
- (4) notes the Council Tax account and collection rate;
- (5) notes the outstanding sundry debt, aged debt analysis and debt write-off figures;
- (6) notes the creditor payments performance;
- (7) by taking into account the overall financial position of the Council, approves the General Fund working balance at 31 March 2014 at £3,364,637; and
- (8) approves the Housing Revenue Account working balance at 31 March 2014 at £5,963,219 and approves the Council Own Build working balance at £103,512.

(In accordance with Standing Order no.43, Councillor Fullam requested that his vote against this recommendation be recorded)

## **TREASURY MANAGEMENT 2013/14**

The report of the Assistant Director Finance was submitted reporting on the overall performance for the 2013/14 financial year and the position regarding investments and borrowings at 31 March 2014.

The Assistant Director Finance confirmed that the Council had successfully completed the sale, at auction, of its outstanding monies held in Landsbanki. Glitnir had also repaid in full the funds invested during 2011/12, although the proportion repaid in Icelandic Krona remained invested in Iceland due to restrictive currency movements, but he anticipated that the restrictions would be lifted in the future and the funds returned.

In response to a Member's question, the Assistant Director Finance advised that the position with regards to interest rates and any possible rises were continually monitored.

Scrutiny Committee – Resources considered the report at its meeting on 2 July 2014 and the comments of the Members were noted.

**RECOMMENDED** that Council approve the Treasury Management report for the 2013/14 financial year.

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### **LOCAL GOVERNMENT PENSION SCHEME DISCRETIONS**

The report of the Human Resources Business Manager was submitted, which sets out to agree the Local Government Pension Scheme (LGPS) employer discretions which the Council was required to publish. It dealt with the inclusion of new discretions in respect of changes to the LGPS which, had come into effect on 1 April 2014, and provided for a review of existing discretions.

The Human Resources Business Manager reported that, in light of comments made at Scrutiny Committee - Resources on 2 July 2014 access to deferred LGPS members aged 55 to 59 to their actuarially reduced pension benefits should not be restricted as a result of dismissal from employment. Members were also advised that the template provided by Peninsula Pensions had omitted one of the required employer discretions. As a result, there was a proposed amendment to the recommendation to Council to reflect these proposed changes. Members were circulated with details of the amendments.

The Leader commented that to improve accountability any decision taken when discretion would apply should be made in consultation with the Leader of the Council.

A Member raised concerns that that any decision relating to discretion should be carefully considered.

The Leader requested that Devon County Council should be asked to attend a Members Briefing to advise Councillors on the position with regards to pensions and any consequences of discretionary payments.

**RECOMMENDED** to Council:-

- (1) to approve and publish the Employer Discretions Policies contained in Appendices A and B attached to this report in accordance with the requirements of the LGPS Regulations and subject to the following changes:-
  - changing Appendix B discretion B30(2) to read as follows: "This discretion will be used where there is no cost to the Council (or the application is made under and meets the grounds for waiving the actuarial reduction - see discretion B30(5))"; and
  - inclusion of the discretions in relation to Shared Cost Additional Voluntary Contribution Arrangement (Regulation R17(1) & TP15(1)(d) & A25(3)) in Appendix A in line with the principles outlined in the report, with the discretion being "The Council does not apply these discretions."
- (2) that any decision to be taken when discretion would apply should be made in consultation with the Leader of the Council and the Constitution be amended accordingly.



## **LOCAL GOVERNMENT (ACCESS TO INFORMATION) ACT 1985 - EXCLUSION OF PRESS AND PUBLIC**

**RESOLVED** that under Section 100A(4) of the Local Government Act 1972, the press and public be excluded from the meeting during consideration of the following items on the grounds that it involved the likely disclosure of exempt information as defined in paragraphs 1 and 3 of Part 1, Schedule 12A of the Act.

## **SHARED ICT SERVICE**

The report of the Deputy Chief Executive was submitted to seek approval to enable the Council to progress with an ICT shared service with two other local authorities, East Devon and Teignbridge.

The Assistant Director Finance advised Members on the discussion taken place at East Devon District Council Cabinet on 2 July 2014 and the way forward with regards to the permanent appointment of the Chief Operating Officer.

Scrutiny Committee – Resources considered the report at its meeting on 2 July 2014 and the comments of the Members were noted.

**RECOMMENDED** that Council:-

- (1) implement a shared ICT service between Exeter, Teignbridge and East Devon Councils, according to the detail set out in the Updated Business Case and Implementation Plan attached to the report;
- (2) support the creation of a stand-alone limited company (“the Company”) to be called Strata Service Solutions Ltd which is wholly owned and controlled equally by the three councils to deliver the ICT shared service;
- (3) grant delegated authority to the Chief Executive, in consultation with the Leader of Exeter City Council, to finalise and sign legal agreements in line with the Updated Business Case and Implementation Plan;
- (4) grant delegated authority to the Section 151 Officer, in consultation with the Deputy Chief Executive, to transfer the remaining ICT budgets for FY 14/15 as at go-live date (expected to be 1<sup>st</sup> November 2014 ) to the shared service (Strata) and to transfer future budgets as per the payment plan in the Updated Business Case;
- (5) approve the budget for this Council’s share of the implementation costs, as set out in the report;
- (6) approve the transfer of ICT staff to the new company (under TUPE) at go-live date;
- (7) approve the transfer of all ICT assets to the company at the go-live date;
- (8) agree the appointment of Chris Powell as the interim Chief Operating Officer (COO) of the company from 1 August 2014, with recruitment to the permanent post to be delegated to the Chief Executive and Leader in negotiation with the other local authority partners;
- (9) approve the transfer of line responsibility for all ICT staff from 1 August 2014 to the Interim COO. However staff will remain employees of the council until formal transfer; and

- (10) approve the creation of a Joint Executive Committee and Joint Scrutiny Committee, the terms of reference for which will be set up following a formal report to Council to agree this constitutional change.

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### **CORPORATE PROPERTY INTERIM STRUCTURE AND ISSUES**

The report of the Corporate Manager Property was submitted outlining issues arising from the establishment of the new Corporate Property Unit and making interim proposals for its efficient management whilst a more robust review of structure and resourcing is carried out. This would ensure a more coordinated approach to ensure the service was also fit for purpose with a focus on more efficiency and effective delivery of the maintenance spend, as well as a more coordinated health and safety overview.

Members welcomed the proposals for a more robust way forward for the Corporate Property Unit.

Scrutiny Committee – Resources considered the report at its meeting on 2 July 2014 and the comments of the Members were noted.

**RECOMMENDED** to Council that:-

- (1) the new post of Corporate Property Assets Manager be approved ;
- (2) the new post of Helpdesk Co-ordinator be approved;
- (3) the Corporate Energy Manager be designated full time;
- (4) the new management structure encompassing the Estates Team and parts of the former Engineering Team be formally approved; and
- (5) the Corporate Manager Property proceeds to acquire an Asset Valuation programme in partnership with neighbouring authorities if possible.

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### **EXETER AND HEART OF DEVON BOARD MINUTES - 17 APRIL 2014**

Scrutiny Committee – Economy considered the report at its meeting on 26 June 2014 and the comments of the Members were noted.

**RESOLVED** that the minutes of the Exeter and Heart of Devon Growth Board of 17 April 2014 be noted.

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### **LOCAL LAND CHARGES**

The joint report of the Assistant Director City Development and Corporate Manager Legal Services was submitted to update Members on the progress of issues with regards to Local Land Charges.

**RECOMMENDED** to Council that:-

- (1) the issues be settled on the terms as outlined in the circulated report, subject to verification if required; and
- (2) the necessary budgetary provision be made.

(The meeting commenced at 5.30 pm and closed at 7.15 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 29 July 2014.**