

SCRUTINY COMMITTEE - ECONOMY

11 September 2014

Present:

Councillor Henson (Chair)

Councillors Brock, Branston, Brimble, Bull, Foggin, Holland, Lyons, Robson, Wardle and Williams

Apologies:

Councillor Crew

Also present:

Chief Executive & Growth Director, Assistant Director Finance, Assistant Director Economy, Events, Facilities and Markets Manager, Victoria Hatfield, Principal Project Manager (Infrastructure Management & Delivery), City Centre Manager and Democratic Services Officer (Committees) (SLS)

In attendance:

Ian Broadfoot, Destination Marketing Management.

44 **Minutes**

The minutes of the meeting held on 26 June 2014 were taken as read and signed by the Chair as correct.

45 **Declarations of Interest**

No declarations of discloseable pecuniary interest were made.

46 **Business Improvement District Presentation**

Ian Broadfoot, an Associate of Destination Management and Marketing made a presentation which informed Members of the progress of the work on the Business Improvement District or BID. The BID will cover a given area, but will plan, deliver and pay for additional improvements, services or initiatives which will benefit the trading environment and be funded through a levy and approved by a ballot. The BID will enable stakeholders to invest their money to achieve common goals determined and managed by them. The BID will enable Exeter's retailers to stay ahead of the competition and help meet the challenges of the changing face of the nation's high street and address the changes of out of town developments and the digital market.

The key benefits will provide local business a voice and offer some real influence as well as a clear mandate for action with guaranteed funds to deliver a plan devised by those who pay. It will enable long term improvements and help increase footfall, dwell time, spend and aim to increase investment.

Destination Management have commissioned a feasibility study to look at what makes a BID successful. They also reviewed the previous campaign and a number of areas of concern had been raised including a differential in the levy rate and other elements such as a limited consultation and the area covered in the Business Plan. They have asked again why Exeter needs a BID and received a lot of feedback and the message appeared to be that Exeter was flourishing but perhaps not reaching its full potential. It was important to share the benefits of the BID further than the immediate city centre and High street to work together to provide a well maintained management for a 24 hour economy.

Progress to date has included an intensive consultation process and contact with over 300 businesses using the BID champion's and one to one meetings, street meetings. They will also be working with One Voice Media and also in partnership with the Exeter City Council. The web site is www.bid.co.uk and they also plan to have a newsletter to also gather feedback from businesses to develop the Business Plan. Although the dates have still be finalised it is anticipated that the timeline will be a distinction of the BIS proposal document and campaign period in December to February, followed by an issue of the ballot on 15 January, the Ballot Day will be 28 February and the results announced on 3 March.

He responded to Member's comments -

- He was aware that a comment on improved Christmas lights had been particularly as Exeter City Council had made a significant contribution both in terms of funding and coordination.
- Previous consultation work on the Business Plan had thrown up the suggestion that it would be more beneficial to redefine the area and Phase 1 will include the main retail areas and the key gateways such as Fore Street, rather than the business areas of Southernhay.
- They would make every effort not to exclude the fringe areas of the city centre such as Sidwell Street, particularly as there were more changing areas of the immediate high street which would benefit but they had to draw a boundary. The BID area would develop as it became more successful.
- The current BID did not include specific work to address the night time economy, but he was aware that colleagues from Exeter City Council were looking at gaining the Purple Flag initiative which provided a bench mark of a safe and thriving evening and night time economy and the BID work may wish to build on that in the future.

Members thanked Ian for his attendance and the update.

47 **Transport Initiatives and Issues -Update**

The Principal Project Manager (Infrastructure Management & Delivery) presented an annual report to update Members in relation to transport initiatives and issues affecting Exeter. The emphasis this year was on rail, with new stations opening at Newcourt and Cranbrook and more certainty in relation to the franchising process. The report also included an electric vehicle strategy, promoted by the Low Carbon Task Force to ensure a consistent approach to issues arising as electric vehicles become more widely used.

In response to questions from Members, the Principal Project Manager clarified the following –

- Services provided by Sustrans have included revision of the Exeter Walking Map and inspection and maintenance of the Green Circle signage and vegetation.
- The Council's electric vehicles have prompted positive feedback from drivers, and no particular problems with pedestrians not being aware of their presence. The Equalities Impact Assessment has highlighted that there could be issues over visually impaired people being aware of the vehicles, but there were potentially significant health benefits from the reduction in harmful emissions. An EU directive for electric vehicles to have synthetic sound would not come into effect until 2019.
- Preparation of the Electric Vehicle Strategy has prompted considerable interest from the business community.
- Electric vehicles will be added to the Council's fleet in cases where they are projected to generate savings. Exeter was leading by example with the Introduction of charging points, which has been funded by grant aid and sponsorship. He added that the current range achieved by the electric fleet was certainly more than adequate for travel around the city.
- The creation of an orbital bus route around the boundary of the city was no longer being considered. The current strategy is to divert some journeys on radial routes to serve employment areas, and this was creating some orbital links.
- The Council is currently lobbying for improvements to the A303 and A30. There may an opportunity to suggest the inclusion of solar panels along the route as part of the design stage.

Scrutiny Committee – Economy offered their continued support for the Council's involvement in the initiatives outlined in the report, and requested that Executive endorse the Electric Vehicle Strategy, as a strategy for promoting the ownership and use of electric vehicles within Exeter.

48 **Budget Monitoring**

The report of the Assistant Director Finance was submitted which advised Members of any major differences by management unit to the revised budget in respect of the Economy Services revenue and capital budgets. The current forecast suggests that net expenditure for this Committee will decrease for the approved budget by a total of £20,340, which represents a variation of 8.29% from the revised. This included supplementary budgets of £219,560. The current capital programme for Economy was detailed in an appendix to the report and included a forecast spend of £1,844,280 in 2014/15 with £863,340 of the programme potentially deferred until 2015/16. Potential areas of budgetary risk were also highlighted in this report and Members were assured that every effort was being made by officers to address the key areas of budgetary pressure.

A Member referred to the New Homes Bonus allocation and in the case of a deferral whether there was a time limit or if it was kept in reserve. The Assistant Director Finance stated that there was no time limit, but there often challenges relating to the acquisition of further funding or match funding. The Portfolio Holder for City Development advised that if a grant was notionally for three years but some grants could in effect be 'recycled' if they had indicated it would not be possible to draw

down on the earmarked reserves and rather allocated to a service who could spend in that financial year.

Scrutiny Committee – Economy noted the report.

49 **City Centre Night-Time Economy**

The City Centre Manager provided Members with an update on the night-time economy and the approach being taken to enhance its attractiveness to all, improve the perceptions of safety and reduce incidents of drink related anti-social behaviour. Members were also asked to note the progress and achievements to date and comment on the plan of action for the coming twelve months, and also identify any additional areas on which they would wish there to be a focus in the plan.

It was noted that good progress had been made through a number of innovative projects, H2O project which offered a regular supply of free water in some pubs and clubs. Such initiatives have made a significant advance and has made significant contribution to how the city feels at night in a collaboration between the licensed pubs and clubs and the police. There was a busy programme of events and initiatives including a Help Zone in partnership with the Police, street pastors and more collaborative retailing and also working towards the Purple Flag accreditation which had to be a key priority to achieve over the next year. An update was also provided on the Best Bar None Scheme aimed at promoting responsible management and operation of licensed premises. He referred to recent review visit of the city centre late at night to see how such models could work in a combined visit with licensing officers.

A Member had submitted an earlier question requesting an update on the city centre footfall in the 6pm to 9pm period and the efforts made to improve both activity and spend. The City Centre Manager said the early evening period was a continuing challenge and the lack of a real 'buy in' from the retailers was frustrating. There has been a slight improvement in Thursday evening's footfall but that was still not in the place that they needed to be. The forthcoming Business Improvement District (BID) scheme would be relaunched shortly and that would demonstrate the business cooperation with continued investment in the projects, however there remained a real issue of how they sell and coordinate the offer was an issue.

A Member agreed that locations such as the Underground Passages did help to entice people into the city centre and but the City Centre Manager and Exeter City Council needed the support of those businesses to be able to deliver. In response to a Member comment on the apparent lack of progress and information on the Guildhall Shopping Centre refurbishment, he gave an assurance that works had commenced and internal shop stripping out had been taking place. Hoarding around the inland unit and the gallery had been made in advance of the work due to commence on the Queen Street side and Market Square end. They have been liaising with the Guildhall Shopping Centre team for the last three or four months with a regular flow of information to the City and County Councils. The Guildhall management had a clear strategy for releasing a regular flow of information. A Member referred to the timing and why had the work started when new students were becoming into the city. The City Centre Manager said that they had to start the work to ensure it would enable trading over this Christmas period and also be complete by December 2015 and it was unfortunate but it was an extremely challenging programme and they would do well to complete on time.

Scrutiny Committee – Economy noted the progress and achievements to date and comment on the plan of action for the coming twelve months and also identifies any areas on which there could be a focus on the plan.

50 **Exeter Commercial Property Register**

The Economy and Tourism Manager presented a report on the new and improved Exeter Commercial property Register and Exeter City Council's handling of investment and relocation enquiries during the previous 12 months. The report also updated Members on the progress made in improving the toolkit available to attract and respond to business relocation and inward investment enquiries. The Register covered a five mile radius and there was now a real market and relocation confidence in Exeter. However sufficient vacant units to meet the demand of development were needed.

A Member had asked some advance questions in relation to ensuring there were suffice vacancies to meet demands. Exeter had a tight boundary and there was a need to work together with neighbouring authorities. The staff member who looked after the CPR had regular discussions with colleagues in City Development to ensure that plans were in place to guide their planning permissions. A Member enquired how the business search for vacant properties was conducted and the Economy and Tourism Manager said that it was often difficult to judge the indentify of the individual or company. She also referred to the benefits of the promotional video which had reached expectation with regards to views on you tube and other mediums and they had encourage businesses to include it on their own website and within presentations and at present there were no plans to translate it into other languages apart from Italian which related to work in respect of the Rugby World Cup 2015 investment opportunity.

Scrutiny Committee Economy noted the report and commented on progress made with the Exeter Commercial Property Register and the City Council's role in dealing with investment and relocation enquiries and intention to progress with the marketing of the Commercial Property Register to sell to other local authorities.

51 **Parkwood Leisure Working Group Minutes**

The minutes of the meeting held on 22 July 2014 were noted.

It was also noted that Councillor Heather Morris had also been appointed as a member of the Parkwood Leisure Working Group.

52 **Local Government (Access to Information) Act 1985 - Exclusion of Press and Public**

RESOLVED that, under Section 100 A(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 they involved the likely disclosure of exempt information as defined in paragraphs 1 and 3 of Part 1, Schedule 12A of the Act.

53 **Legacy Leisure Proposal**

The Events Facilities and Markets Manager presented a report which informed Members of the opportunity to allow Parkwood Leisure to transfer the management of the City Council leisure facilities to their charitable trust model – Legacy Leisure. There have been ongoing discussions with colleagues in the Legal Department to ensure that all of the proposed arrangements would ensure that the best interests of the Council were protected. It was noted that the charitable trust status principle was now well established as an accepted operational model for leisure facilities.

Scrutiny Committee – Economy supported the following -

- (1) to allow Parkwood Leisure to move the management of the Exeter Facilities to Legacy Leisure pending further clarification in respect of the charitable trust model, and
- (2) a request to Executive to authorise the Assistant Director, Economy, in consultation with the Portfolio Holder for Economy and Culture, to confirm Council's agreement to the transfer of the management of the City Council leisure facilities to Legacy Leisure. Such confirmation to be dependent on Parkwood Leisure providing requested verification regarding the status of Legacy Leisure.

54 **Exeter & Heart of Devon Growth Board Minutes**

The minutes of the Exeter and Heart of Devon Growth Board Minutes held on 28 July 2014 were circulated for Member's information, and also referred to a number of issues that the City Council may need to consider and take forward as appropriate.

Scrutiny Committee – Economy noted the content of the Exeter and Heart of Devon Growth Board Minutes.

The meeting commenced at 5.30 pm and closed at 7.10 pm

Chair