

SCRUTINY COMMITTEE - RESOURCES

16 March 2016

Present:

Councillor Bull (Chair)

Councillors Baldwin, Bialyk, George, Harvey, Lyons, Packham, Sheldon, Thompson and Wardle

Apologies:

Councillors Buswell and Brock

Also present:

Chief Executive & Growth Director, Assistant Director Finance, Corporate Manager Property, Museums Manager and Democratic Services Officer (Committees) (SLS)

In attendance:

Councillor Emma Morse	- Portfolio Holder Customer Access
Councillor Ollie Pearson	- Portfolio Holder Enabling Services

19 Minutes

The minutes of the meeting held on 27 January 2016 were taken as read and signed by the Chair as correct.

20 Declarations of Interest

Members made no declarations of disclosable pecuniary interest.

21 Overview of Revenue Budget 2015/16

The Assistant Director Finance presented a report which advised Members of the overall projected financial position of the General Fund Revenue Budget and Housing Revenue Account for the 2015/16 financial year after nine months.

Members were advised of the main variances within the Scrutiny Committee's budgets, which showed a projected underspend of £1,368,724 against a revised Service Committee budget of £13,492,220. There were no supplementary budget requests this quarter.

The Assistant Director Finance responded as follows to Members' comments:-

- he would obtain an answer in respect of the repair and maintenance strategy and the approach taken in respect of the re-pointing and damp ingress programmed works to ensure the best use of resources was made.
- the General Fund Balance offered the Council a contingency against future shocks. The Council was taking a prudent approach to lessen the impact of the future changes in local government finance and it was sensible to maintain a level of unrestricted funds to invest or fund capital projects.

- he would consider the potential changes resulting from Budget Day, particularly with regard to business rates and report to Members as necessary.
- outstanding sundry debt was considered in the review of an assessment of risk, and should be considered in the context of the values written off. He clarified the approach to collecting Housing Benefit debt.
- a Members' Briefing event tailored to offer relevant detail of local government finance was held annually in June. He would investigate providing another opportunity to provide snapshots of specific areas of local government finance.
- the £75,000 overspend in relation to the net expenditure on the Rugby World Cup 2015, had been due to the lack of opportunity to generate the anticipated levels of income after the early exit of England from the competition. A report to the meeting of the Scrutiny Committee - Economy in January had outlined the key points. There were no additional resource implications in respect of the clearing up of Northernhay Gardens and making good the grass.

The Chair wished to congratulate the team that ran the Fanzone, which remained open long after other cities had closed theirs, despite their commitment for the entire contest. A Member welcomed the inclusion of the contribution in the budget which had enabled the Home Call Alarm service to continue.

Scrutiny Committee - Resources supported the report and recommended approval by Council (where applicable) of the:-

- (1) General Fund forecast financial position for the 2015/16 financial year;
- (2) HRA forecast financial position for the 2015/16 financial year;
- (3) additional supplementary budgets as listed in Appendix C;
- (4) outstanding Sundry Debt position as at December 2015;
- (5) creditors' payments performance; and
- (6) Council Tax and Business Rates collection performance.

22 **Capital Monitoring Statement to December 2015**

The Assistant Director Finance presented the report to update Members on the current position in respect of the Council's revised annual capital programme and of the anticipated level of deferred expenditure into future years. The revised capital programme for the current financial year was £19.175 million, and during the first nine months of the year, the Council spent £10.271 million on the programme, which equated to 53.6% of the revised programme.

The Assistant Director Finance responded as follows to Members' questions:-

- Warm Up Exeter is being relaunched after the start of a new Government initiative in the New Year. He would enquire about the relationship between Cosy Devon and Warm up Exeter for the Member.
- the Corporate Manager Property advised that the health and safety issues associated with the delay in replacing the external passenger lift on the frontage of the RAMM were being managed on site. There had been some changes to the original specification which would require a Listed Buildings planning application.

- work had been undertaken and completed at Mincinglake reed beds.
- the Corporate Property Manager confirmed that the funding remained for works on the Exhibition Way Bridge to ensure that no debris fell onto the railway. He also confirmed the sum allocated for the Ibstock Environmental Improvements would enable the City Council to employ an environmental consultant to offer advice in respect of the land remediation of proposed public open space at Rougement Mews.
- a request that the list of outstanding Section 106 monies be reported to Members in the new municipal year be agreed.

A Member referred to the bollard, which prevented traffic from gaining free access to Cathedral Yard, which appeared to be permanently open enabling cars to park without any challenge. A Member was aware that there had been protracted dialogue between the City and County Councils. He suggested that the BID could consider managing the arrangements for the access, provided that the outstanding legal agreement was resolved. It was suggested that a sum of money be identified to commence this work to ensure that only authorised vehicles could access Cathedral Yard, as had always been intended. The Assistant Director Finance stated that a request could be considered but that there were revenue as well as capital implications. It was agreed that the options would be explored.

Scrutiny Committee – Resources noted the current position in respect of the annual Capital Programme and recommended approval by Council.

23 **St Nicholas Priory - Structural Repair and Future Operation**

The Museums Manager and Cultural Lead presented a report which had been produced in response to the structural condition of St Nicholas Priory and to a Members' request for a review of its income generating potential. The report considered the present condition of the Priory, which had Ancient Scheduled Monument and Grade I Listed Building status, and proposed a course of action to address this. It also reviewed the current and potential future uses and management arrangements and further steps towards identifying a sustainable future for the building. The significance of this building and the City Council's responsibilities for its maintenance were recognised. Members' expressed their wish to see increased public usage of the building whilst acknowledging the challenges of location, lack of services and restrictions imposed by its historic status.

The Museums Manager responded to Members' comments:-

- the date of St Nicholas Priory's designation as a 'museum' was unknown.
- there had been a small number of wedding ceremonies, but due to the lack of building services it was only suitable for such use in spring and summer.
- the summer months did offer an opportunity for greater use, and once the works had been carried out would not preclude the City Council using as an additional resources such as meetings or formal events with other local authorities. The lack of running water or heating presented a challenge for any hospitality. The Property Manager Corporate added that any service intrusion may not be possible due to the building's Grade I Scheduled Ancient Monument status.

- a dialogue would commence with the Exeter Historic Buildings Trust to ensure they had the experience to maintain the asset appropriately. The Trust was a small local charity with no paid staff. Although there was currently no Exeter City Council representation on the EHBC Trust, this could be raised as part of the discussions.
- the structural works were necessary to preserve and bring the building back into useful life.
- a site visit would be arranged, once full access was available after the remedial work had been carried out.

A Member felt strongly that the building should remain as an accessible asset for the city, as well as being protected to be enjoyed by Exeter's residents. It was important that any future partnership understood the commitment required, and the City Council was also able to demonstrate accountability by ensuring the necessary governance arrangements were in place.

Scrutiny Committee – Resources supported approval by Executive of the following: -

- (1) a capital budget of £115,000 to address urgent structural repair and building conservation issues;
- (2) the Arts Council England be approached about the de-accreditation of the site as a museum;
- (3) there be further discussion with potential partners about community management of St Nicholas Priory; and
- (4) a follow up report be produced for Members' decision once partnership negotiations were at a stage when they could be formalised.

24 **Exwick and Flowerpot Playing Fields**

The Corporate Manager Property presented a report which proposed the transfer by lease of Exwick and Flowerpot Playing Fields, including the changing rooms, to Exeter College but with continued use by the community. A copy of the plan was circulated with the report. It was noted that this would help to deliver an innovative Exwick Sports Hub, with minimal resource implications for the Council. He responded to a Member's query on the establishment of a local board and concern about the level of future use by the incumbent sports clubs, and ability to continue to host community and charitable events. Local clubs would be invited to become a member of the board. It was unlikely that there would be any conflict between the use by Exeter College, who would predominantly use the pitches from Monday to Friday, leaving the pitches available for the clubs to use at weekends and evenings. He updated Members and confirmed that there were no TUPE arrangements to resolve and the commitment to continuing community use would be included in the lease documentation.

The Member considered this to be an excellent model to take forward.

Scrutiny Committee – Resources supported approval by Executive for the transfer by lease of the Exwick and Flowerpot Playing Fields along the lines set out in the circulated report, but with the detailed terms to be agreed by the Corporate Manager Property in consultation with the Leader and the Portfolio Holder Enabling Services.

25 **Advertising within Car Parks & Public Realm**

The Corporate Manager Property presented a report which advised Members on the potential for earning advertising income within car parks and some public open space. This proposal had been developed from an initiative from the Income Generation Task and Finish Group and their remit to explore new income streams. A Member welcomed any opportunity to generate income, as local government had to operate in a different environment. He responded to a Member's comment who referred to previous advertising hoardings and reiterated that many sites would require advertising consent. He would also ensure that any advertiser would meet the requirements of the City Council's contract regulations. A Member suggested the hoardings could also promote the business of the City Council and local government and include promotions to encourage voting or the Exeter Futures campaign.

Scrutiny Committee – Resources supported approval by Executive of the principle of advertising within car parks and some public realm areas, enabling the Corporate Manager Property to market the identified sites in consultation with the Assistant Director Public Realm.

26 **Update on Energy Neutral Council**

The Corporate Manager Property presented a report which provided an update on the Renewables and Energy Efficiency Programme work that has been undertaken during the second year of the programme and since the previous report to Scrutiny Committee Resources on 16 September 2015. The report detailed all of the energy projects in 2015/16 which had been successfully delivered before the reduction of the Feed in Tariff (FIT) and introduction of local grid restriction, with a brief report on each individual project and the further feasibility work planned for 2016/17. The team were in the process of developing an Energy Strategy.

A Member congratulated the team and City Council for the commitment and innovation which had resulted in the significant energy savings. He referred to new opportunities and enquired about the plans to identify or create a solar PV field. The Corporate Property Manager stated that there were a range of possibilities including purchasing a ready-made scheme could be explored.

A Member enquired about the feasibility of PV array panels on the roof of two community centres in her ward and if the future maintenance of the roof would be a barrier. The Corporate Property Manager stated that whilst the community groups were responsible for Matthews Hall and Newcourt Community Centre, the fabric of the buildings were eminently suitable for solar panels. The Chair also congratulated the team on the timely work to install panels at the Livestock Centre before last Christmas. He also commented on whether there was the potential to explore any future revenue contribution from the River Exe. The Chief Executive & Growth Director also referred to the work of Exeter City Futures which would also consider energy innovations for benefits across the whole city.

The Chair advised that Councillors Edwards and Sutton accompanied by the Deputy Chief Executive, Corporate Energy Manager and Corporate Energy Officer, were in London as a finalist for the Local Government Chronicle Efficiency Award and Environment Award 2016, in recognition of the work achieved in relation to solar panels.

Scrutiny Committee – Resources noted the progress made to date, the delivery of all projects in year two of the Renewables and Energy Efficiency Programme and feasibility work planned for year three.

27 **Budget Monitoring Quarter 3**

The Assistant Director Finance presented the budget monitoring report, which advised Members of the material differences by management unit to the revised revenue budget. There was an underspend of £491,380 after transfers from reserves and revenue contributions to capital which was detailed in an appendix to the report. This represented a variation of 8.11% from the revised budget, and included supplementary budgets of £145,550. The main variations from the budget were set out in the report.

Scrutiny Committee – Resources noted the report.

The meeting commenced at 5.30 pm and closed at 7.20 pm

Chair