

THE EXTRAORDINARY MEETING OF EXETER CITY COUNCIL

Guildhall
Tuesday 20 February 2018

The Right Worshipful the Lord Mayor (Cllr Robson)
The Deputy Lord Mayor (Cllr Hannan)
Councillors Ashwood, Bialyk, Branston, Brimble, Edwards, Foale, Foggin, Hannaford, Harvey, D Henson, Mrs Henson, Holland, Keen, Lamb, Leadbetter, Lyons, Morris, Morse, Musgrave, Owen, Packham, Pearson, Prowse, Sheldon, Sills, Sutton, Thompson, Vizard M, Vizard N, Wardle, Warwick and Wood

1

APOLOGIES

These were received from Councillors Baldwin, Denham, Gottschalk, Mitchell and Newby.

2

DAVID MORRISH

The Council observed a minutes' silence in memory of Former City Councillor David Morrish who had recently passed away having faithfully served the City of Exeter through 50 years of local government service including 28 years as an Exeter City Councillor having been granted Freedom of the City status in April 2011. The Leader and Members reflected on the outstanding qualities David Morrish had brought to the role of member and to his total commitment and dedication to Exeter and its citizens.

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BUDGET 2018/19

Minute 5 (2018/19 Council Tax Base and NNDR1) of the meeting of Executive held on 9 January 2018 was taken as read and adopted.

The Leader of the Council, moved and Councillor Sutton seconded the resolution as set out in the agenda and circulated papers in respect of the Council Tax for 2018/19.

The Leader, in presenting the budget, set the context for this year's budget proposals by referring to a 6.5% reduction in Government Formula Grant for the year 2018/19, on top of equally drastic cuts in previous years, the last three years having seen cuts of 10.8%, 12.6% and 15.6%. However, despite Exeter's Government grant having dropped from £12 million to £4.8 million between 2010 and 2019, thanks to good leadership and management, the council's finances were in good shape.

In the financial year 2017/18, the Council had delivered £1.3 million in savings and additional income, on top of £1 million saved the previous year. In setting the budget for 2018/19, a balanced budget was proposed, with much of the lost formula grant replaced by a combination of additional efficiency savings and income. The Leader advised that, for every council tax bill, only 8% of the income came back to the Council, Devon taking 76%, the Police 11% and the Fire Authority 5%. In the current financial year, an average bill for a Band D property in Exeter had been £1,670.80 and, of that, the City Council had received £145.05. It was proposed to increase the Council's share of the bill by 3.45%, which was the equivalent of 10 pence a week.

The Leader continued by referring to the extremely good value for money provided and stating that Exeter continued to punch well above its weight when it came to the running and development of the city. According to the Centre for Cities, Exeter was now the second fastest growing city in the UK, the population having increased by 2% in one year with the number of jobs in the city rising from 92,000 to 95,000. Employment had grown by 3.3% in the last year - compared to 1.7% nationally - and there had been a net increase of 3,000 jobs in the private sector - the 10th highest in the country. Exeter had the third lowest youth unemployment in the country and the fifth lowest for all claimants. These figures demonstrated a growing and successful economy, achieved with the highest drop of CO2 emissions in the UK, a drop of 44%.

The investment in the Exeter Science Park was an example of the role the Council played in supporting a knowledge economy and driving innovation, with £1.2 million invested and the Government's Industrial Strategy had recognised this world class environmental science cluster at Exeter. The economic growth of the city was good for residents and the wider Devon economy. The city's travel to work area was continuing to grow and was only second to that of Cambridge. The city had seen a net exporting of £26 million of wages every week to the rest of Devon. The arrival of Lidl's distribution depot and Ikea within the city were driving up wage levels. Ikea's commitment to the living wage, following the example set by the Council, was causing all employers to think about the salaries offered to employees.

Commenting on the city centre, the Leader referred to the Aviva investment in the Guildhall which had supported a year on year increase in footfall in double digits with the Council, as the landlord, being an active partner in making it a successful investment for the city. The content of the scheme reflected the ingredients sought to create an excellent experience which was also the concept behind the re-development of the bus station site. It was necessary to provide reasons for people to visit the city centre other than simply shopping, especially as the internet has disrupted retailing and centres that did not recognise this would die.

The Leader stated that plans were progressing to redevelop the bus station site and that the Council was shortly to go out to tender for contractors to build the new bus station and new leisure centre. This was a major and much-needed investment in the city centre, which was so crucial to the city's economy. Planning permission and a budget were in place, and there were now fresh opportunities for the rest of the site since the Crown Estate had withdrawn its plans for a retail and leisure development last autumn. It had been Council policy to redevelop this site for 20 years and this administration was confident of finally securing contractors to build it. The current bus station and Pyramids pool were not good enough for Exeter. The aspiration for the city was much bigger than patching up and saving money.

Money had been secured to clean up the Pyramids which could not be put off any longer as the tired facilities desperately needed long term replacements, the quality of those replacements to set a new benchmark for the quality expected and demanded throughout the city centre, as it develops in the years ahead. The quality of the public realm was crucial and doing things on the cheap was a false economy.

The Leader continued by referring to the big drop in CO2 emissions, coming as the city launched a major public consultation on Exeter's draft Air Quality Action Plan. The Council was working with its partners at Exeter City Futures on the commitment to make Exeter congestion-free and energy independent by 2025. The Council had a proud record of investment in renewables and developing innovation in the low carbon agenda and was building district heating networks to support the RD&E

Hospital, St. Lukes, the city centre and new housing at Monkerton. Moreover, all the Council's new builds meet the Passivhaus standard.

The Leader emphasised that housing remained a key council priority and, despite achieving one of the highest percentage increases in the housing stock in the UK, the challenges facing the sector were significant. The Government still refused to lift the borrowing cap preventing councils from borrowing to fund council house building.

Delivery of affordable homes via Section 106 Agreements was currently averaging 110 homes a year. So far in 2017/18, developers had completed a total of 51 affordable homes. In the pipeline, 2,478 homes were expected on developments already started on site with another 1,763 homes granted outline planning consent and, of these, between 25% and 35% were expected to be affordable homes. Investment in the housing stock, which was 10% of the city's properties, remained a key objective for the Council. Furthermore, the Medium Term Financial Plan for the next five years was to deliver over £37 million of investment in maintenance programmes and planned improvements.

The Leader went on to highlight how the Council continued to support residents in financial difficulty. In the last 10 months the Council had helped 357 residents with the cost of renting their home, including help with deposits, through discretionary housing payments totalling £239,000. This support had helped residents to remain in their homes or move to more affordable accommodation. The Council had also assisted 78 residents struggling financially through its exceptional hardship fund. The Council continued to administer local welfare support, despite funding ceasing in 2015. This supported residents in immediate crisis including help with their utility expenses and provision of food. The Council had made 352 referrals to the food bank which was a sad indictment of the Government's on-going austerity agenda. The Council was continuing with its commitment to reduce homelessness through working to prevent people becoming homeless in the first place and also tackling rough sleeping on its streets.

Exeter had won a bid to be one of the Government's homelessness prevention Trailblazer authorities and was investing £650,000 over two years with partner agencies. The Council had invested in Trailblazer funds into expanding work to reduce rough sleeping by commissioning services such as a rapid response team to those new to rough sleeping in the city, a prison re-settlement service working across Exeter and Torbay, and a hospital worker to prevent homeless hospital discharge. The Council had also funded an emergency bed and assessment service with the local hostel which had provided 1,020 bed-spaces since December 2017.

The Leader advised that the Council had been successful in securing the status of Local Delivery Partner with Sport England. This had been an incredible achievement and was credit to the years of collaboration and partnership working the Council had been leading and participating in. Exeter and the East Devon new town of Cranbrook, were one of 12 places selected to work on a ground-breaking new approach to tackle inactivity in communities. They were one of only 12 out of 113 places in England to be awarded Pilot status and the only location in the South West. There would be access to a share of over £100 million of National Lottery funding over four years to encourage people who were currently inactive to access sport and physical activity.

On another sporting note, the City Council had funded the investment to build a new grandstand at St James's Park and works had now begun on site.

The Leader referred to the work undertaken to ensure that the economic success of the city had a direct financial benefit to its communities. Funding had been provided to support community associations and create the Exeter Community Forum, the Community Grants programme was around £1.5 million and the Council was committed to spending 15% of Community Infrastructure Levy on community development, equating to £3.75 million over six years.

The Leader concluded by stating that the Council continued to do such a lot with very little, and that he was very proud of the hard work that continued every day to make the city such a great place in which to live, work and visit.

A balanced budget was proposed to protect and maintain the services which the citizens of Exeter needed the most. He proposed the recommendation set out in the report in terms of the approval of both the revenue estimates and capital programme for the year 2018/19. It would result in the setting of a District Council tax of £150.05 for a Band D property which was an increase of £5 a year for a Band D property, or less than 10 pence a week. By comparison, the County precept would rise by £63.27 or £1.22 a week, the Police by £12 a year or 23 pence a week and the Fire Authority by £2.44 or 5 pence a week.

A Band D Council Tax would be split as follows:-

Exeter City Council	£ 150.05
Devon County Council	£1,331.19
Devon & Cornwall Police	£ 188.28
Devon & Somerset Fire	£ 84.01
Making a total bill of	£1,753.53

The Opposition Leader acknowledged that, year on year, Central Government cuts to local government funding was regrettable but that the City's strong economic position was a reflection of an overall stable national picture, remarking that a £5 increase in Exeter's Council Tax Band D was a commendable model. Highlighting a number of budget reductions including recycling, environmental protection, licensing, street cleaning, communications and marketing and economic development, together with those of some central services, he advised that it was a budget his group could not support. He also opposed increased car parking charges and the suggestion of introducing a congestion charge for Exeter.

The Deputy Leader welcomed the proposed budget stating that some of the changes reflected the movement of support service costs to different budget heads. The many positive initiatives referred to, she felt, reflected an ambitious, forward thinking and aspiring city with value for money a key driver. She commented, in particular, on the role of Exeter City Futures in seeking to solve congestion problems and of the need for a common understanding of these problems and a commitment to change travel behaviour generally. The increase in car parking charges was one measure to assist such ambitions. She also looked forward to the delivery of projects as part of the Sport England pilot.

In response to a Member's concern that a significant proportion of revenue funding would be to service debt, it was noted that future borrowing for specific projects would be backed by robust business cases.

Other Members called for changes in the Government's approach to housing and for a relaxation of existing constraints to enable Councils to support a far greater investment in affordable housing.

Other Members also gave their support for the budget, the Portfolio Holder for Place emphasising the commitment to protecting frontline services in the face of recent austerity measures and referring particularly to increasing recycling rates including plastic recycling. The Portfolio Holder for Support Services advised that there had not been an increase in the marketing budget other than the addition of grants made available by the Council to this budget head.

The Leader concluded by stating that Exeter, unlike some local authorities, had been proactive in facing challenges and was working hard to make the necessary changes and plans for a future when the money from central government would be removed completely. He commended the budget to Council.

RESOLVED:-

- (1) that the following, as submitted in the Estimates Book, be approved:-
 - (a) the Revenue estimates for 2018-2019;
 - (b) the Capital programme for 2018-2019;
- (2) that it be noted that, at the meeting of the Executive on the 9 January 2018, the Council calculated the figure of 36,547, as its council tax base for the year 2018-2019 in accordance with the Local Authorities (Calculation of Council Tax Base) (England) Regulations 2012 made under Section 33(5) of the Local Government Finance Act 1992;
- (3) that the following amounts be now calculated by the Council for the year 2018-2019 in accordance with Sections 31A of the Local Government and Finance Act 1992:-
 - (a) £106,012,434 being the aggregate of the amounts which the Council estimates for the items set out in Section 31A(2)(a) to (f) of the Act;
 - (b) £100,528,557 being the aggregate of the amounts which the Council estimates for the items set out in Section 31A(3)(a) to (d) of the Act;
 - (c) £5,483,877 being the amount by which the aggregate at (3)(a) above exceeds the aggregate at (3)(b) above, calculated by the Council, in accordance with Section 31A(4) of the Act, as its council tax requirement for the year;
 - (d) £150.05 being the amount at (3)(c) above divided by the amount at 2 above, calculated by the Council, in accordance with Section 31B(1) of the Act, as the basic amount of its council tax for the year;
 - (e) Valuation Bands

A	B	C	D
£100.03	£116.71	£133.38	£150.05
E	F	G	H
£183.39	£216.74	£250.08	£300.10

Being the amount given by multiplying the amount at (3)(d) above by the number which, in the proportion set out in Section 5(1) of the Act, is applicable

to dwellings listed in a particular valuation band divided by the number which in that proportion is applicable to dwellings listed in valuation band D, calculated by the Council, in accordance with Section 36(1) of the Act, as the amounts to be taken into account for the year in respect of categories of dwellings listed in different valuation bands.

- (4) that it will be noted that, for the year 2018-2019, Devon County Council, the Office of the Police and Crime Commissioner for Devon and Cornwall and the Devon and Somerset Fire and Rescue Authority have stated the following amounts on precepts issued to the Council, in accordance with Section 83 of the Local Government Act 2003, for each of the categories of the dwellings shown below:-

Devon County Council
Valuation Bands

A	B	C	D
£887.46	£1,035.37	£1,183.28	£1,331.19
E	F	G	H
£1,627.01	£1,922.83	£2,218.65	£2,662.38

Office of the Police and Crime Commissioner for Devon and Cornwall

A	B	C	D
£125.52	£146.44	£167.36	£188.28
E	F	G	H
£230.12	£271.96	£313.80	£376.56

Devon and Somerset Fire and Rescue Authority
Valuation Bands

A	B	C	D
£56.01	£65.34	£74.68	£84.01
E	F	G	H
£102.68	£121.35	£140.02	£168.02

That, having calculated the aggregate in each case of the amounts at (3)(e) and (4) above, the Council, in accordance with Section 30(2) of the Local Government Finance Act 1992, hereby set the following amounts as the amounts of council tax for the year 2018-2019 for each of the categories of dwellings shown below:-

Valuation Bands

A	B	C	D
£1,169.02	£1,363.86	£1,558.70	£1,753.53
E	F	G	H
£2,143.20	£2,532.88	£2,922.55	£3,507.06

In accordance with Standing Order 30 a named vote on the Resolution was recorded, as follows:-

Voting for:-

Councillors Ashwood, Bialyk, Branston, Brimble, Edwards, Foale, Foggin, Hannaford, The Deputy Lord Mayor, Harvey, Keen, Lamb, Lyons, Morris, Morse, Musgrave, Owen, Packham, Pearson, Sheldon, Sills, Sutton, Vizard N, Vizard M, Wardle, Warwick and Wood.

(27 Members)

Voting against:-

Henson D, Mrs Henson, Holland, Leadbetter, Prowse and Mrs Thompson.

(6 Members)

Abstain:-

The Lord Mayor

(1 Member)

Absent:-

Councillors Baldwin, Denham, Gottschalk, Mitchell and Newby

(5 Members)

The Resolution was carried.

(The meeting commenced at 6.00 pm and closed at 6.59 pm)

Chair

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