

STRATEGIC SCRUTINY COMMITTEE
HELD AS A VIRTUAL MEETING

24 September 2020

Present:

Councillor Sills (Chair)

Councillors Atkinson, Buswell, Henson, D, Moore, D, Moore, J, and Owen

Apologies:

Councillors Newby and Pattison

Also present:

Director Corporate Services, Director Transformation, Director Net Zero Exeter & City Management, Director Finance, Corporate Manager Democratic and Civic Support, Democratic Services Officer (SLS) and Democratic Services Officer (MD)

In attendance:

Councillor Ollie Pearson

- Portfolio Holder for Leisure & Physical Activity

Councillor Duncan Wood

- Portfolio Holder for Support Services & Procurement

Councillor Michael Mitchell

Councillor Trish Oliver

18 Apologies

Apologies were received from Councillors Newby and Pattison.

19 Minutes

The minutes of the meeting of the Strategic Scrutiny Committee held on 23 July 2020 were taken as read, approved as correct, for signing by the Chair at the earliest possible convenience.

A Member sought to raise a matter in relation to an invitation to Devon County Council to discuss the Transport Strategy before it was considered by them on 11 November and before the next Strategic Scrutiny Committee meeting. The Chair although stating there was only the opportunity to approve the minutes as a correct record or amend, he would, on this occasion, pass on the question to the Portfolio Holder Net Zero Exeter 2030.

20 Declarations of Interest

No declarations of interest were made by Members.

21 Questions from Members of the Public Under Standing Order 19

The Chair confirmed that no public questions had been received.

22 **Presentation on Covid-19 by Portfolio Holders and Questions from Members and Answers**

The Chair referred to the recent change in Portfolio Holders and he introduced Councillor Ollie Pearson as the Portfolio Holder for City Centre and Corporate Services and Councillor Duncan Wood as Portfolio Holder for Leisure & Physical Activity. He invited them to provide a report on their respective area with a focus on the on the Council's Covid-19 recovery stage.

The Portfolio Holder for City Centre & Corporate Services in presenting his briefing note highlighted the following:-

- with appreciation to those officers who were facilitating the democratic process to enable the Council to continue to function and engage with the public, as well as the Human Resources team who, alongside their other duties, have been also been tasked with completing the TUPE arrangements to bring the Leisure Services team back in house. The Council's Legal Team have been particularly busy and along with Internal Audit have provided assistance for Covid related support schemes for various businesses. Strata have continued to support staff remotely and their work will continue to ensure that customers can access the Council's services seamlessly as well as developing opportunities for greater access for all, and
- the efforts made to ensure that the message that the city centre remained open with the help of local businesses, the Business Improvement District (BID), and the City Centre Recovery Group to support businesses and also to help those in the city who face unemployment and other challenges due to the pandemic, which included pulling a number of external services together under the banner of Exeter works.

The Director Corporate Services took the opportunity to reflect on the variety and volume undertaken by her team in the context of the additional challenges brought about, in part by Covid. She also paid tribute to the massive dedication and care by the Guildhall staff who were able to support a socially distanced wedding ceremony which had recently taken place there.

The Portfolio Holder, for City Centre & Corporate Services responded to the following questions from Members submitted in advance of the meeting, together with supplementary questions and responses as set out below:-

Questions from Committee Members

1. **Councillor Keith Owen** - The document circulated to members on the City Centre recovery plan refers to restoring confidence for residents to return to the city centre. From my experience on the morning of Thursday 17 September, this has already been a success. The High Street was extremely busy and personally I would not like to have seen it any busier. One area which has not been successful in my view, based on personal experience, has been signs (including stencils and banners) to encourage social distancing and the use of pedestrian one way systems. Both in the High Street and Longbrook Street for example, approximately 50% of pedestrians (if not more) walk in contravention of the one way signs. Please can the Council consider alternative ways of dealing with this particular problem?

Whilst we have adhered closely to the guidance issued by Government for safer high streets, there are a percentage of people who are not following the signs and directions. We have plans to reinforce the signage at eye level which will help. The

circulation of pedestrians was only guidance and whilst there was no legislation regarding following a one way system with regard to social distancing. The police have some enforcement powers over gatherings of six, which is their focus at the moment. He also briefly clarified that the signage would be at eye level to help avoid any tripping hazards.

The Director for Net Zero Exeter and City Management added that Government's communication around social distancing has not been particularly clear. The change from two metres to one metre plus has caused confusion. One metre plus actually means keep two metres apart unless you have a secondary measure in place such as a mask. We plan to add more eye level signs in the City Centre to help people to follow the one way systems and our signs will continue to state the two metre rule to try and help to make this clear. The signage is advisory and we rely on the good sense of the public to follow them but there are currently no powers of enforcement.

- 2. Councillor Diana Moore** - Is a review of the suitability of polling stations to assess their suitability for social distancing being undertaken and will alternative locations to schools be sought to prevent closure of the school or bringing the public on site?

The Corporate Manager Democratic & Civic Support provided the response to ensure that political neutrality was observed.

Planning for the local elections in May 2021 would continue to be based on advice from the Electoral Commission and the Cabinet Office. Their comments including risk assessments would continue to be followed as well as seeking any early advice, also from the Council's Environmental Health Department. In the meantime, contact has been made with all the 57 polling stations, to assess their availability next May. They will also be asked for a copy of the individual venue's Covid-19 risk assessment. Contact has also been made with all of the 13 schools which are currently used, and the policy continues to be not to use schools when there was a suitable and viable alternative. Where schools are used, every effort was made to ensure that both uses as the school and polling station would be able to work alongside each other. On occasion this can lead to the school to decide to close for the day. This situation may well change in 2021, particularly if Covid restrictions are in place. The team would continue to work with schools to make that work, as best as possible, in the circumstances we may find ourselves in.

Supplementary question and response.

If there was an increase in registration for postal votes and would registration for postal voting be encouragement as part of the annual canvass now taking place? There was some concern that people may be put off going out to vote.

The Corporate Manager Democratic & Civic Support stated that the Election team were experiencing an uptake in postal voter registration and they expected that to continue. They would follow the Electoral Commission's guidance to encourage individuals to apply for postal votes and every effort was also being made to encourage early registration so as to avoid a rush at the last minute.

- 3. Councillor Diana Moore** - Will the Council be offering to provide any opportunities for young people to work for the council as part of the Kickstart programme that the Government announced?

The opportunities provided by the Kickstart programme were still under consideration and a briefing was being prepared for the Council's Strategic Management Board,

but this would still need to be considered in light of the Council's significant budgetary challenges as well as providing services to the residents of Exeter. He added that he was looking forward to seeing what the opportunities were for this programme.

Supplementary question and response.

It would be a great opportunity to provide work experience for young people, the Government was covering salaries and national insurance costs as part of this programme, and the Council was a good career option so she would strongly encourage and support participation in that programme as well.

It was important to support young people through the Covid crisis.

- 4. Councillor Diana Moore** - What consideration is the Council giving to meanwhile uses for its vacant offices/retail units to encourage start-ups, especially for creative industries and social enterprises?

The number of vacant units owned by Exeter City Council was extremely low so there was not the opportunity to offer meanwhile uses for vacant property. There had been discussion on the opportunities available on non-council owned property across the city with the BID and the Chamber of Commerce. The Portfolio Holder was aware there were some good examples cross city of other meanwhile uses happening now, but not in Council properties.

Supplementary question and response.

What were the opportunities for such organisations to access those properties and would the Council be open to approaches for the low number of voids that it has.

There were few voids in a competitive market. It was really important to understand that the income derived from the leases for units went towards supporting the Council's services that people rely upon, including those services that have supported the community through the pandemic. Meanwhile use was important and the Council would look at providing whatever information they could, as part of making sure we can support people and organisations in taking those opportunities when they arise. Organisations such as the BID or the Chamber of Commerce would be good organisations to approach, but the Council would be doing everything possible to support uses of properties across the city.

Question from a Non-Committee Member

- 1. Councillor Michael Mitchell** - To what extent has or will the council conduct internal audits in regard to the additional spending, grant and loan allocations made specifically related to the Covid 19 pandemic?

The Internal Audit team had provided the following response of their work which included:-

Additional spending - there was no intention at this point in time for Internal Audit to conduct a specific audit on the additional spending incurred by the Council as a result of the Covid19 pandemic. However, internal controls relating to the additional spending would be covered as part of the creditors and main accounts audits.

Local Government Income Compensation Scheme for lost sales, fees and charges - Internal Audit review and challenge the appropriateness of the claims submitted by the Council under this scheme, in line with the Ministry of Housing, Communities & Local Government (MHCLG) guidance. They have confirmed that they will consider relevant internal auditor reviews as appropriate evidence in the assurance process.

Business of Business Grants - the Audit Managers were involved in setting up the process for the business grants to provide assistance with the requirements of government guidance and to ensure that appropriate controls were in place to minimise the risk of fraudulent applications. This process included a number of pre-award checks including running all applications through the Government's counter fraud system known as 'Spotlight' to identify any applications that did not meet the eligibility criteria or were potentially fraudulent. All applications identified by 'spotlight' were then subject to rigorous additional checks prior to processing including asking for additional supporting documentation. Where an application was considered ineligible or potentially fraudulent it was rejected prior to processing. The Audit Managers also assisted in the processing of all types of business grants, mainly undertaking the review of applications where other officers processing the applications had concerns over the eligibility of the applicant.

Internal Audit were in the process of undertaking post award assurance checking on a sample of all business grants awarded, this work had been undertaken by an auditor that had no involvement in the processing of the grant applications, with arrangements in place for any issues arising to be reported to the Director Finance and or to the Chair of the Audit and Governance Committee to ensure a level of independence. The Council will also be participating as normal in the National Fraud Initiative (NFI) which is an exercise that matches electronic data within and between public and private sector bodies to prevent and detect fraud, which this year will also include business grants. The output from this exercise will then be subject to further investigation by Internal Audit with the intention of reclaiming any monies found to have been claimed fraudulently. The Council had also signed up to the UK Finance and Anti-Fraud scheme and were awaiting further guidance on how this scheme will work.

Covid19 Community Action Fund - Internal Audit will be auditing grants awarded under this scheme.

Loan Allocations – Internal Audit had confirmed they were not aware of any loans made by the Council.

Supplementary question and response.

Whether the external funding received in relation to the pandemic crisis would sit inside or outside the City Council's annual accounts and, if it sat within the accounts whether it would be subject to our own external auditors.

It was important to ensure transparency and that this money went to the right people. The Director Finance said that he would clarify the matter with the Deputy Chief Finance Officer, as this also included whether the Council were acting as an agent facilitating payment and he would report back to Members. In any case, External Audit may be given direction to look at this matter. He was pleased to advise that that no fraud had been identified by the Internal Audit team, They had taken on a significant amount of work and had worked closely with the Business Rates team to carry out all necessary checks before any money was paid out.

The Portfolio Holder also responded to points of clarifications from other Committee Members.

It was noted that a question from Councillor Henson on the Playing Pitches Strategy would be answered later in the meeting. However, a question on where Strata staff were working was answered with Strata staff in keeping with other Council staff were mostly working from home. He also confirmed that the former Parkwood leisure staff have been Tupted to the Council and would be City Council employees in the first instance. There were currently no precise details of the staffing structure or positions held in the Leisure Services at this time, but the senior officer with responsibility within the Council for Leisure Services was the Director Communications, Culture and Leisure Facilities. The Portfolio Holder also advised that as aspects of the question also crossed the Portfolio of Leisure & Physical Activity, and as he was also at the meeting, he was able to advise that the leisure centres had a timetable for opening safely under the control of the Council. The staffing structure was still being finalised, but he would continue to work with the Director to oversee the early stages of the adoption and then implementation of the Leisure Services.

Councillor Diana Moore asked about what consideration had been given to Safer Streets, to enable safer circulation of people and cyclists during Covid -19, and if the Council was working with Devon County Council to bring forward a coherent plan for safer pavements in the city centre. The Portfolio Holder advised that he was due to meet with Devon County Council and the Director Net Zero and City Management to discuss this matter. The Director also referred to joint networking with Devon County Council, to facilitate social distancing on streets in the city centre and other district centres with information prepared by the City's Engineers, on the basis of the Safer Streets Government guidance.

The Portfolio Holder Leisure & Physical Activity, Councillor Duncan Wood in presenting his briefing note, and with the Chair's permission introduced a short flythrough animation of St Sidwell's Point and the part it would play in the city's recovery from Covid-19. Other areas he wished to draw attention to, were the return of the city's leisure services to an in-house team, the significant and continuing impact of Covid meant that the Sport England Pilot Project, and engagement with the Wonford community all had to be continue to be flexible. It had been impressive how both our own staff and the partners had responded to the challenges. He also paid tribute to Sport England who had accepted the delays and he thanked them for the encouragement given to the Council to repurpose the Pilot funds to enable the Council in their support of the community and mutual support groups during the Covid crisis. He also wished to commend the staff in this area for all of the work they have achieved.

The Portfolio Holder Leisure & Physical Activity responded to the following questions from Members submitted in advance of the meeting, together with supplementary questions and responses as set out below:-

Questions from Committee Members

1. It was noted that a response to a question by Councillor Diana Moore relating to a Council response to the report presented by the mutual aid groups, would be made by the Portfolio Holder Communities & Culture, at the Customer Focus Scrutiny Committee.

2. Councillor Diana Moore - How long is the membership only access for all leisure services requirement expected to be in place for and does this apply to swimming?

Yes, at this point in time it was likely to remain in place until the end of the year and it does also apply to swimming.

Supplementary Question and Response.

Whether the end of the year was December 2020 or March 2021, and she was concerned that the current membership policy would exclude poorer individuals and families with children who could not afford a subscription, and what measures would be put in place to help those who cannot afford a subscription.

The situation was very fluid with regard to Covid 19, in terms of the restrictions that apply and the impact of the current rule of six on what people may have planned to do is significant. Family swimming sessions would present a challenge as to how that will fit in with current and future restrictions that may occur. There were currently no plans to introduce family play sessions at the moment. In respect of the question on price being a barrier, current members were able to use all facilities at no extra cost with their membership cost frozen. New members can join for £15 and a price comparison for sport memberships and swim sessions for facilities in the adjacent local authority area was presented. It was noted that in those instances the City Council were offering a cheaper offer than our neighbouring authorities, but it was not clear how much of a barrier this will be. It was important to get the service up and running in a Covid safe way and that had to include some ability to control the increase in usage. At this stage, the subscription membership was being offered and the cost was not prohibitive if the facilities were used with any real frequency. This approach would enable the service to come back safely and adapt to any new regulations as they come into place and allow the expansion to be people centred.

District	Membership	Family Swim	Adult Swim	Child Swim
East Devon	£39.75	Not Available	£5.20	£4.30
Mid Devon*	No data	£11.00	£4.30	£3.00
North Devon	£37.95	Not Available	£4.80	£3.70
South Hams	£40.00	Not Available	£8.00	None
Teignbridge	£37.80	£13.80	£5.10	£2.80
Torridge	£40.00	Not Available	£8.00	None
West Devon	£40.00	Not Available	£8.00	None

**Not currently offering memberships.*

Councillor Moore asked a point of clarification and whether the £15 was a one off fee or paid every month.

Members of the scheme have not been able to enjoy the benefits of their membership and so their monthly subscriptions are currently frozen. New Members could join for £15 per month.

3. Councillor Diana Moore - Riverside Pool and Leisure Centre Refurbishment -What was the energy performance certificate rating for the Riverside before the Council works and what will it be once work is completed?

It was important to recognise that whilst this was not specifically a Covid related question, but as a valid technical question, he suggested it would be more appropriate to seek a response from the relevant officer. In this instance he would

ask the Director Transformation to offer a full technical response separately in writing to Councillor Moore.

Supplementary Question and Response.

Whether a commitment for the Riverside Leisure Centre to be energy neutral by 2022 and carbon neutral by 2023 could be offered.

He was unable to make such a commitment as building works were still ongoing, but there was a commitment to maximise the efficiency of all such work that is undertaken with regard to our leisure construction projects, and those with a potentially large environmental impact.

The Director Transformation contributed to the response and advised that at this point they could not make a commitment on either of the matters raised in the question, but she would forward a detailed email to Councillor Moore and outline the steps being taken in terms of the refurbishment and efforts to improve the energy efficiency of the building.

4. Councillor Diana Moore -What measures physical and technical measures are being considered to improve this rating?

The Director Transformation continued to offer the following response and advised that the energy efficiency was relatively poor, in part to do with the fundamental construction, the age of the building and the building regulations and standards complied with at the time of the original construction. Where it has been possible to do so, we have instructed the contractors and designers working with us on the refurbishment to make improvements up to and above current building regulations and standards where it is applicable to the fabric of the building. The building will be more energy efficient than it has ever been, because of the steps that we have been taking, through discussion with the Portfolio Holder and the Leader's instruction through the construction and in the way that we will operate the building. The previous contract was let many years ago and had not provided any operator incentives to consider energy efficiency because the Council directly paid the utility costs as part of the historic contractual agreement. Now in direct management of the building, the Council will be able to focus on this and had already started to work on all of the buildings in terms to assess any energy inefficiency. Training had also been undertaken with staff, who have transferred from the previous leisure operator to make clear the expectations and priorities of the business, including energy, the visitor experience and health and safety as the key priorities. She hoped to be able to give further information and the assurances sought by Councillor Moore as soon as possible.

5. Councillor Diana Moore - Playing Pitch Strategy -As well as discussion with the national governing bodies what engagement has there been will there be with professional, and amateur clubs and the wider community in the playing pitch strategy review?

We are following the Sport England methodology which requires authorities to gather a range of views from stakeholders, communities and community sport clubs to inform our 'assessment of need'. We will be surveying formal sports clubs for their views and to gather information about the context of their club such as membership, location and future plans, and then facilitate engagement sessions with other stakeholders such as education providers and wider community groups to seek their views. It is a way that the Council has proven that it works effectively. Although not directly related to the Playing Pitch strategy, he provided an example of a local

football team and users of a pitch in Pinhoe who were successfully consulted over its resurfacing and their and community users contribution to the process. The Council was committed to the consultation process.

Supplementary question and response.

A view on playing pitches was included in the consultation a couple of years ago and in the light of the necessity for this review and additional cost, whether the Portfolio Holder had any thoughts on the approach taken at the time because it encompassed such a broad scope of issues and was very unwieldy.

Although unable to comment on historic consultation, he would be involved with overseeing the consultation, looking at both the practicality and how the consultation would be delivered and use his experience to ensure that the consultation would be meaningful and useful to the process.

- 6. Councillor Diana Moore** - The governance of the Sport England programme has been reviewed and accountabilities set out to other bodies, please can you set out the accountabilities within the Council?

The Sport England Local Delivery Pilot was another effective example of this Council's collaborative working and as such was not directly governed by the Council's constitution. The Delivery Pilot status was awarded to Exeter and Cranbrook as a place, with the Council as the host organisation for the partnership. A formal contract was in place with Sport England and the Council. The Director of the Pilot was accountable for ensuring that the funding is deployed as set out in the various submissions and delivery plans agreed with Sport England. Within the partnership governance the political oversight sits within his role as the Portfolio for Leisure & Physical Activity as well as being a member of the Partnership Oversight Group which included the Leader.

Supplementary question and response.

The Council is acting as the accountable body for the Sport England programme, so in referencing a risk flagged at the Audit & Governance Committee in relation to the delivery of the programme and the ongoing impact of the Covid-19 pandemic, she felt it was really important that Members understood how the accountability for governance and delivery. She had asked on three occasions for a copy of the Governance review setting out the arrangements and changes to the arrangements but had received no response. She made a formal request for a copy of the review and new governance arrangements, under the Local Government (Access to Information) Act 1985 (100F), and suggested that other Members may also wish to see that detail.

An assurance was given that the request would be responded to appropriately.

- 7. Councillor Jemima Moore** -What assessment of the carbon emissions during construction of St Sidwell's Point have been undertaken and can these be published?

Although this was more of a technical question, he was able to provide the detail which included that the principle of the building design was to use technology to provide a healthy building environment. There were reductions in energy usage by 70% and water usage by 50% against industry best practice standards. These combined technologies would have a significant reduction on carbon emissions and running costs year on year.

Passivhaus Certification process was identified as the leading certification and control process, which would ensure that the building design will achieve the exceptional and ambitious outcomes required in energy efficiency of the building.

In high level terms the magnitude of annual energy and carbon savings from implementing the Healthy Building/Passivhaus Strategy when compared to a normal pool will be equivalent to any of the following:

- annual carbon storage of 105 hectare (or 250 football pitches) of managed woodland or
- annual emissions from 750 average UK cars (commuting 40 miles a day) or
- total annual energy consumption of 350 average UK 4 person households or
- enough to make 140 million cups of tea a year

With regard to the construction stage, there were a range of carbon reducing measures being taken, by Kier, due to our requirements in the contract and their own carbon reduction policies. Although the list was not exclusive it included:-

- recycling ground materials to reduce journeys and wastage,
- reusing timber wastage on site,
- only using sustainably sourced timber,
- employing local supply chain where viable, and
- ensuring the use of carbon reducing activities such as video meetings, (before they had to) waste management and ore.

The site hoarding was also a good practical example of this, and the hoarding material was recyclable plastic and as it is hired so it will be reused on another project when removed.

Carbon as a currency is still in development for the industry (and making progress) and in the future we expect to see goods and services having a carbon value, known at that time. That calculation is therefore not fully available for individual tasks during construction but is wrapped into high level calculations for materials and goods. Given the attention that St Sidwell's Point has been attracting from developers and construction providers, we are clearly leading the way with our ambitions to create a state of the art, low energy (and low carbon) public facility.

Councillor Jemima Moore hoped that as the Council was setting a precedent with this building that at some point in the future we would be able to publish the carbon footprint detail as that would set a really good standard for other developments.

Questions from Non-Committee Members

1. **Councillor Trish Oliver** - How are the re-opening of leisure centres embracing safety issues during Covid times, and what would trigger any need to close down if rates of infection rise rapidly locally?

He was proud to be overseeing the development of the Council run, Leisure Services and he welcomed the new colleagues transferring into the Council. The new service will have an ethos, which was centre user lead, with people, the primary focus of the service. How it will embrace safety issues though, begins with the same careful thought that has gone into every aspect of the way the service will be run from a safety and a customer perspective.

All government and industry guidelines were being followed: each centre has had a detailed risk assessment and mitigation actions are specific to each centre - following

the key themes of ventilation, social distancing, personal hygiene, cleanliness and training and awareness. Expert technical and industry advice has been utilised to ensure that the facilities are opened in the safest possible way. We may need to close a facility or an activity within it if any of the technical mitigation activities fail, for example the new carbon monoxide monitors indicate a deterioration in air flow, or customers do not comply with the required behaviours. We may also have to consider a closure should we identify staff with symptoms requiring a test as well as any formal notification from the NHS Test, Track and Trace service that indicates a potential outbreak, two or more confirmed cases, originating in one of the centres. Should a Local Outbreak Management Plan come into force in Exeter we would anticipate closing centres as part of local restrictions.

- 2. Councillor Alys Martin** (*was not in attendance*) - In relation to the Wonford development, has COVID-19 affected the funding of the Sports England Local Delivery Pilot?

No, Sport England have continued to fund all 12 pilot areas throughout the pandemic and have been extremely supportive of how the Local Delivery Pilot team was deployed to support the community response to lockdown. Sport England have invited us to bid for an extension of core funding (this pays for the LDP team and the evaluation programme) to 2025. Whilst we are awaiting the formal response to our application the feedback so far is very positive and we are anticipating a successful outcome of the bid.

- 3. Councillor Michael Mitchell**- Can the Portfolio Holder elaborate regarding how the initial request from Parkwood for £1m in regard to the termination of its contract for the leisure service was reduced by the council to £355k?

The detail of the negotiating process and outcome remains commercially sensitive and confidential. However, the swift decision-making of the Council in relation to the insourcing of the services and the clear direction provided at a political level to ensure that this happened together with the experience, knowledge and skills of the Director and her team were probably the defining factors in enabling this positive conclusion.

Supplementary question and response.

If there was a view outside of the legal parameters of the contract on the attitude taken by Parkwood Leisure when they had asked for a sum greater than the actual achievement of the contract.

The Portfolio Holder advised that he had not been party to the negotiations made.

The Chair thanked the Portfolio Holders for commenting on their large areas of work and reminded Members of the brief offered by the Scrutiny Programme Board to focus on Covid-19 related matters and more latterly the recovery period. The Scrutiny Programme Board would continue to discuss how these meetings will go ahead in the future.

The meeting commenced at 5.30 pm and closed at 7.00 pm

Chair