

EXECUTIVE

Tuesday 29 November 2022

Present:

Councillor Bialyk (Chair)

Councillors Wright, Denning, Morse, Parkhouse, Pearce and Wood

Also present:

Councillor Jobson (as an opposition group Leader)

Councillor D. Moore (as an opposition group Leader)

Councillor K. Mitchell (as an opposition group Leader)

Apologies:

Councillors Ghusain and Williams

Also present:

Chief Executive & Growth Director, Deputy Chief Executive, Director Corporate Services, Director of City Development, Director of Culture, Leisure and Tourism, Director Finance, Corporate Manager Democratic and Civic Support, Service Lead - Environmental Health & Community Safety, Corporate Energy Manager, Net Zero & Business, Active & Healthy People Programme Lead, Benefits & Welfare Lead, Assistant Service Lead – Local Plan and Democratic Services Team Leader

Also present:

Derek Phillips – Chair of the Independent Remuneration Panel;

Justin Pickford - Baker Ruff Hannon;

Phil Lewis - Randall Simmonds; and

Tony Norton - Exeter University

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MINUTES

The minutes of the meeting held on 1 November 2022, were taken as read, approved and signed by the Chair as a correct record.

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DECLARATIONS OF INTEREST

Members declared the following interests:

- Councillor Wood – Minute No. 125 and Minute No. 126.

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QUESTIONS FROM THE PUBLIC UNDER STANDING ORDER NO. 19

No questions from members of the public were received.

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MEMBERS' ALLOWANCES 2023/24

The Chair welcomed Derek Phillips, who was in attendance as the Chair of the Independent Remuneration Panel.

Derek Phillips presented the Council's Independent Remuneration Panel report relating to Members' Allowances for the period 2023/24. The Independent Remuneration Panel reviewed and advised the Council on its scheme of Members' Allowances and made recommendations on the allowance to be paid to Members

each year, following the legislation set out under the Local Authorities (Members' Allowances) (England) Regulations 2001 and 2003.

Members were referred to the recommendations in the report, with particular reference made to the following points:-

- that this had been the first review of the Member Allowances since the Covid-19 Pandemic;
- at the next review, regard should be made to the relevance of the staff pay award for 2022/23 which had been paid as a lump sum and that some other authorities had set a 4% increase for their allowances; and
- the principle that a Special Responsibility Allowance should not be paid to more than 50% of the overall number of Councillors should continue to be kept under review and adhered to where possible.

During the discussion, a Member highlighted that the current level of Special Responsibility Allowance was 51% which was as close to the 50% threshold as possible.

The Chair thanked Derek Phillips and the Independent Remuneration Panel for their work and for attending the meeting.

RECOMMENDED to Council that:-

- (1) the basic structure and principles of the current Members' Allowances scheme be retained for 2023/24;
- (2) the principle that any Member qualifying for more than one Special Responsibility Allowance is paid the higher allowance only, be retained;
- (3) the Councillors' Basic and Special Responsibility Allowances, including the Lord Mayor and Deputy Lord Mayor's Expenses Allowances, should be linked and updated in line with the Local Government Employers (LGE) staff pay award for the previous year, (a 1.75% increase in the annual Local Staff Pay Award was awarded by the Employers side for staff which was effective for staff from April 2021);
- (4) the principle that Special Responsibility Allowances be paid to no more than 50% of the overall number of Councillors to continue to be kept under review and adhered to where possible;
- (5) the current Dependants' Carers' Allowance scheme be maintained, with the continuation of the level of allowance matching the hourly Living Wage as applicable from April of each year (together with the retention of the uplift of the standard rate of income tax). In the case of Members who need specialist care for a child or adult dependant, a higher rate, of up to £25 per hour or part thereof, (together with the retention of the uplift of the standard rate of income tax) can be agreed by negotiation in advance with the Corporate Manager, Democratic and Civic Support;
- (6) the sum of £50 be paid to the Independent Persons affiliated to the Audit and Governance Committee for up to four hours work, and £100 for four hours and over, payable to each of the two Independent Persons (up to a maximum of £500 per person in any one year) be retained; and
- (7) the Travel and Subsistence allowances available for staff to continue to apply to Exeter City Councillors, where appropriate.

The Executive received the report on amending the Terms of Reference for the Joint Consultation and Negotiation Committee, to ensure the Committee details remained up to date and matched the operational arrangements of the Council.

Particular reference was made to the proposal to change the composition of the Committee to include members of the Strategic Management Board, the Service Lead for Human Resources and one officer from the GMB and Unite Unions and that the Quorum had changed from two union representatives to one, to reflect the running of the meetings.

RECOMMENDED that Council approve the amendments to the Council's Constitution terms of reference for the Joint Consultation and Negotiation Committee.

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WORKING TOWARDS NET ZERO - EXETER CITY COUNCIL'S CORPORATE CARBON FOOTPRINT REPORT AND CARBON REDUCTION ACTION PLAN

The Executive received the report on the work of the Net Zero Team, which assessed the Council's potential to achieve its commitment to be Net Zero by 2030 and to deliver the first City Council Carbon Reduction Plan. The report also shared the City Council's Corporate Carbon Footprint report which analysed corporate activities to identify direct and indirect greenhouse gas (GHG) emissions. The Corporate Carbon Reduction Plan provided a mix of potential actions across all services to work towards Net Zero.

Tony Norton, Head of the Centre for Energy and the Environment, Exeter University was in attendance and provided a presentation on achieving Net Zero by 2030 and for Exeter City Council's corporate carbon plan. The University of Exeter had been commissioned to assess the potential for achieving the goal, through an assessment of Council documents and data, appraising Central Government policy and input from the Council's Service Leads. The work had been split into seven sectors and points raised during the presentation included:-

- The first step of the process was to highlight the 2021 carbon footprint, then break down the work involved into seven sectors that had been individually analysed.
- Non-Domestic Building data had been provided which showed that 80% of emissions were from corporate estate and leisure centre buildings, with a split of 60% emissions from electricity and 40% from gas. Opportunities in this sector came from decarbonising the national grid, changes to asset management and energy efficiency.
- Council Housing stock emissions were estimated from energy performance certificates, which estimated 75% emissions were from gas. Opportunities in this sector included the continuation of building Passivhaus standard homes, the potential for easy energy efficiency gains, decarbonising heat and retrofitting homes.
- Transport identified that Council owned vehicles had been predominantly diesel vehicles with refuse vehicles showing 58% emissions, street cleaning vehicles showing 16% emissions and green space vehicles with 25% emissions. The indirect emissions were from business travel and commuting, which had increased following the Covid restrictions. Opportunities included the decarbonisation of the Council owned vehicles, moving to electric vehicles by 2030 and electrification of business and commuting mileage.
- Procurement showed a high level of emissions at 62%. It was difficult to identify procurement emissions, with only 4% being calculated using activity data. Improving data capture in this sector was important and considering the need

for new buildings as opposed to extending or refurbishing existing buildings. For construction emissions, setting embodied carbon targets would support reducing construction emissions and ensuring they were considered as part of the selection process for new buildings.

- F Gas covered emissions from fridges and heat pumps and potential leakage. There was a national task in reducing F Gas emissions by installing low F Gas appliances.
- Waste included corporate waste but there was no data available for estimating emissions. Waste from Green House Gas emissions were estimated at 103 tCO₂e for landfill 3 and tCO₂e for non-landfill, but was dependent on the disposal method.
- Renewable energy across the Council was doing well, however the continued decarbonisation of the grid would offset the energy. Renewable energy was otherwise vital in saving money and supporting the national grid.
- Land use changes and afforestation addressed how tree planting affected carbon savings. The planting of 25% of trees in the area could offset 829 tCO₂e by 2030.

In summarising the presentation, Tony Norton advised that the analyses were taken at a point in time and provided information on delivering energy efficiency through the seven sectors as discussed.

Councillor D. Moore, as an opposition group leader, spoke on this item. She welcomed the report and enquired about the Council solely relying on the decarbonisation of the grid. She also enquired on how frequently the Council should receive similar update reports to measure progress against targets.

Councillor Jobson, as an opposition group leader, welcomed the summary report.

The Portfolio Holder for Climate Change thanked the team for the work undertaken to date and advised that the Council was already committed to Net Zero prior to declaring a climate emergency, which was evidenced with the new St Sidwell's Point Leisure Centre. The declaration of the climate emergency set a large challenge to the Council and its partners in reaching the 2030 target. It was important to note that leisure services had previously shown a high level of emissions and the closure of the Pyramids facility, and its replacement by St Sidwell's Point Leisure Centre, had further reduced the emission figures presented.

In regards to Procurement, the Green Accord set the standards to suppliers to ensure greener standards were maintained and general improvements to procurement would mean price would not be a factor in measuring Scope 3 emissions. The scale of the challenge ahead, needed to be acknowledged and would require significant changes in how the Council operated in order to meet the challenge. He also advised on the importance of analysing carbon offsetting.

In response to questions raised, Tony Norton and the Chair advised that electricity use benefitted from the continued significant fall in carbon intensity of the grid, due to increasing amounts of renewable and low carbon energy production. Decarbonisation of buildings would support reducing gas emissions and it was important that electricity became more renewable. The frequency of reports to measure progress against and where they would be received would be decided in due course.

The Chair thanked Tony Norton for the presentation and to the team for all the work that had been undertaken.

RECOMMENDED that Council:

- (1) note and endorse the Corporate Carbon Footprint report, and acknowledge the detailed analysis and improved data provided on previous year's reports, but also the challenge to improve data capture across the whole organisation. The projections reinforce the measures required across all Council activities, and that organisationally achieving Net Zero in such a short timeframe is extremely challenging;
- (2) acknowledge the scale of the challenge set out in the Corporate Carbon Footprint Report and the combination of aggressive carbon reduction measures included in the projections which require a step change in Council policy, activity, and capacity;
- (3) acknowledge the importance of the Corporate Carbon Reduction Plan, the work already in progress, and service wide commitment required to deliver net zero, with a dedicated team to lead on activity. Equally, the need to undertake an annual assessment of the Council's GHG emissions to monitor, identify change and evaluate actions needed to deliver net zero;
- (4) note that to achieve Net Zero by 2030, an increase in capacity, financial investment and operational resource, both internally and from government at a national level is required. Whilst the carbon footprint provides accurate carbon reduction measures, the precise amount of resource needed is currently not quantifiable. This will require a detailed investment plan based on costed proposals; and
- (5) recommend the Net Zero team's research options for using carbon offsetting to achieve Net Zero.

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THE LOCAL HOUSEHOLD SUPPORT FUND - SCHEME 3

The Executive received the report which sought Members' agreement on disbursing funding from the third Household Support Fund scheme which would support households who most needed support. Two schemes had been previously run and this scheme would run until 31 March 2023, to help households who may be struggling with their budgets at a time when fuel costs are likely to be at their highest, whilst other national support would have been paid.

The scheme was being run in partnership with Devon County Council on how the funds would be spent. Local data was used to target households in particular need, using a combination of low household income and council tax arrears. Households on low income included characteristics such as those with single parents, pensioners, and disabled persons. Where the data showed that there were also council tax arrears, further investigation would occur for appropriate support to be provided where possible. A balance was required between the number of households that could be supported and the meaningful amount of support that could be provided in a timely manner.

Councillor D. Moore, as an opposition group leader, spoke on this item. She welcomed the report and enquired if cash vouchers could be redeemed at Post Offices by individuals on behalf of family members who were unable to attend in person.

In response to questions raised, the Benefits & Welfare Lead advised:-

- that vouchers could be redeemed by another person, providing they showed proper identification at the Post Office;
- an open application system had been avoided to support single parents requiring extra help and that other support schemes were also available through Devon County Council such as Children’s Services; and
- that non-dependent reduction was applied when a child entitlement payment was no longer available when the individual became an adult.

Members recognised the importance of avoiding a complicated and resource intensive system to deliver support to residents in a timely manner. Members thanked the officers for the work undertaken, as well as quickly implementing the various schemes after Government notification.

RECOMMENDED that Council adopt the proposed Local Household Support Fund - scheme 3 (HSF 3), with the majority of the £337,853 funding allocation being targeted as one-off grants to households receiving council tax support with one or more of the following priority characteristics:

Priority characteristic		Component value
Disabled child		£100
Carer		£100
Non dependant deduction		£150
In work		£150
Large family	3 or more children	£100 OR
	4 or more children	£150

Component amounts are cumulative, so household awards will range between £100 and £650. Component amounts may need to be amended following the final data extract to ensure the scheme could be delivered for the available budget. Eligibility will be determined based on the household position on 14 December 2022 entitlement date.

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MARY ARCHES STREET CAR PARK RE-DEVELOPMENT

The Executive received the report on the Mary Arches Street Car Park (MASCP) to option the site to Exeter City Living, close the car park, to secure vacant possession, to demolish the car park using Central Government Funding and redevelop the site for a residential led mixed use development.

Particular reference was made to:-

- the car park was not in good condition and maintaining it would involve a significant investment of £3.8 million to refurbish the site to a reasonable standard. This would be difficult for the Council, with interest rates increasing and a likely reduction in the Capital Programme. If Members were minded to not proceed, there would be a loss from Central Government funding and additional expenditure for the Council;
- there was a complication from the secure tenancies of commercial tenants who were located within the boundary. If negotiation was unsuccessful, then a Compulsory Purchase Order (CPO) would be required. A request for an additional budget would be brought forward and likely be funded from the Guildhall income, to cover the costs of the required legal support;

- the final disposal delegation requested in the report would be limited to within the boundary and the final size of the disposal would be included within the negotiations with Exeter City Living; and
- there were challenges related to archaeological interests located beneath the carpark and would likely not be disposed of for residential use depending on negotiation around the red line boundary.

Councillor Jobson, as an opposition group leader, spoke on this item and asked the following questions:-

- Was the funding provided by the Government specifically for demolition and had the application been made?
- Would the built homes be social/affordable homes or would development sale receipts include help to buy or similar schemes or be sold on open market?
- Could clarification be given that no co-living/student buildings would be built on site and that developments would be homes for families?
- Why was the car park being closed so soon and could it not remain open longer to generate income until end of school summer holidays in 2023.

Councillor D. Moore, as an opposition group leader, spoke on this item and agreed there was a compelling case for re-developing the site and asked the following questions:-

- Would the Compulsory Purchase Order potentially include the residential properties adjacent to the Mecca building, which were outside the boundary and could they be included?
- Could the access rights be confirmed for the two residential properties next to the Mecca building would not be compromised or lost due to the disposal of the asset, from any Compulsory Purchase Order or redevelopment?
- When would the Grant require the funding to be spent by? and
- Could the Council guarantee that the car park would not be demolished until the new scheme was ready to proceed?

During the discussion, a Member highlighted that the re-development would support the reduction of city car parking and encourage the use of sustainable travel. The Solar Array referred to in the report, was one of the first car park canopy arrays in the country and would be relocated to an appropriate site.

In response to the questions raised, the Director Finance and the Leader explained:-

- there would not be purpose-built student accommodation built on City Council owned land and that the site was subject to the normal planning and consultation process;
- the current development proposals from Exeter City Living were based on apartment schemes, which were targeting the rental market and would be both affordable for the HRA and open market;
- the Brownfield Land Release Fund (BLRF) funding £1.3 million grant application bid was made on 1 June 2021 and the Funding Agreement was dated 16th September 2021;
- the £1.3 million grant application, covered the cost of £635,000 for Demolition and Asbestos Removal, £600,000 for Piling and £75,000 for the Substation;
- the Exeter City Living Business Plan which was approved in February 2022 set out the intention of the site for affordable homes;

- there was no specific closure date for the car park and was dependant on the agreement, finalising the timetable for site closure and monitoring the safety of the car park;
- there was no current intention to include properties outside of the indicative red line boundary;
- any legal access or rights of way would be protected or realigned as part of the site development process;
- the Grant required the land transfer to be completed by 31 March 2024; and
- there was no fixed date stipulated for demolition. If there was any gap between demolition and the commencement of the development, the Council would seek to find an alternative use for the land.

The Leader highlighted that there would be a consultation process and additional questions could be raised at the appropriate time. He also advised that the responses to the submitted questions would also be made in writing outside of the meeting.

RECOMMENDED that Council agree a demolition budget equal to the Land Release Funding received by the Department for Levelling up Housing and Communities and One Public Estate.

RESOLVED that

- (1) the Director Finance be authorised to dispose of all or part of the land at Mary Arches Street Car Park, as shown on the site boundary plan in Appendix 1 of the report, to Exeter City Living, on terms to be negotiated by the City Surveyor at a sum that represented no less than the best value valuation, if the option granted in respect of the land is exercised;
- (2) the City Surveyor be authorised to acquire by way of Compulsory Purchase Order ("CPO") any third-party proprietary interests within the site;
- (3) the Director Finance be authorised to close Mary Arches Street Car Park on the grounds of economic obsolescence at the appropriate time in the development process;
- (4) the demolition of MASCP be agreed utilising Brownfield Land Release Fund ("BLRF") monies received from the Department for Levelling Up, Housing and Communities ("DLUHC") and One Public Estate ("OPE");
- (5) that redevelopment of the site for a residential led mixed use scheme comprising new homes and ancillary ground floor commercial uses be agreed with the granting of over sailing licences if required;
- (6) the Director Finance be granted delegated authority in consultation with the Portfolio Holder to agree the final boundary of the land to be disposed of (noting that the area is not to be greater than the land indicated at Appendix 1 of the report);
- (7) the Director Finance be authorised to take all necessary steps to secure the making, submission, confirmation and implementation of a Compulsory Purchase Order to acquire any third-party proprietary interests within the site (see Appendix 1 of the report);

- (8) the Director Finance be authorised to issue all relevant notices and certificates in connection with the making, confirmation and implementation of any Compulsory Purchase Order;
- (9) the Director Finance be authorised to acquire third party proprietary interests by private treaty negotiation;
- (10) the Director Finance be authorised to dispose of any third-party propriety interest acquired pursuant to the Compulsory Purchase Order to Exeter City Living in accordance with terms to be agreed;
- (11) the Director Finance be authorised to make General Vesting Declarations (GVDs) under the Compulsory Purchase (Vesting Declarations) Act 1981 and/or serve notices to treat and notices of entry (if required) following confirmation of a Compulsory Purchase Order by the Secretary of State;
- (12) the Director Finance be authorised to issue and serve any warrants to obtain possession of property acquired by the Council following the execution of a General Vesting Declarations or service of a notice of entry if it was considered appropriate to do so;
- (13) the Director Finance be granted delegated authority in consultation with the Leader of the Council, to agree the final procurement contracts; and
- (14) the City Surveyor be granted delegated authority to work with Exeter City Living to facilitate the regeneration of this strategic city centre site.

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COMMUNITY INFRASTRUCTURE LEVY: PARTIAL REVIEW CONSULTATION

The Executive received the report which provided a progress update on the partial review of the Council's Community Infrastructure Levy (CIL) Charging Schedule, which identified the CIL rates to be charged on different types of development. A series of revised CIL charges had been proposed and, following statutory requirements, approval to undertake public consultation on the draft Charging Schedule was sought for commencement in December 2022.

Particular reference was made to:-

- an agreement by the Council in July 2019 regarding the budget required to prepare a draft Charging Schedule and to commission consultants to address viability and therefore there was no direct or additional resources required at this stage as the next step was consultation;
- there would be an increased charge on Purpose Built Student Accommodation and Co-Living;
- the new rate for the Build to Rent;
- removal of the charge for flats due to their viability;
- there would be no change to retail outside of the city centre; and
- the draft charging rates would be formally examined in 2023.

Councillor Jobson, as an opposition group leader, spoke on this item and asked why Co-Living was not being charged at the same rate as purpose-built student accommodation?

Councillor D. Moore, as an opposition group leader, spoke on this item. She asked how much of the approved budget of up to £75,000 had been spent on the contract on a partial review and why only a partial review was being undertaken?

Councillor K. Mitchell, as an opposition group leader, referring to the over concentration of student accommodation in certain areas of the city, including Article 4 areas, suggested that consideration should be given to a zoning approach for different charges to be applied to different parts of the city.

A Member referred to the CIL rates which supported shaping the development of the city and helping to inform the overall market. It was noted that developers would also contribute to the consultation process.

The following responses were provided to Members' questions:-

- in terms of funding, a budget of up to £75,000 was approved by Council. To date, the Council had spent a total of £30,175. Most of the evidence for the CIL review was now complete. Further expenditure was anticipated to cover the consultation, some additional consultancy fees, and the examination, however the expectation was that the project would come in under the £75,000 budget;
- a review of the CIL Charging Schedule had been approved by the Executive in July 2019. The decision did not stipulate the detailed breadth of the review. Discussions had been held with consultants to consider the appropriate scope of the review and on this basis the work had focused on proposing to amend the rates for those uses where development viability would have evolved most significantly. This was an important point to note because the level of CIL was determined by development viability and the process of this work had followed the statutory requirements.
- The terminology of a 'partial review' referred to the proposed revision of a selection of the CIL rates as opposed to all of them;
- the proposal was for an increased CIL rate from £59.29 to £150 per square meter for Purpose Built Student Accommodation. It also proposed an increased rate from £0 to £50 per square meter for Co-living. Although there were similarities between purpose-built student accommodation and Co-living, they were different housing products with different considerations of viability;
- the viability of the two development types had been tested through an appraisal and concluded the proposed changes to draft charging schedule; and
- the suggestion in respect of zoning would be addressed as part of the consultation process.

RESOLVED that:-

- (1) the Draft Charging Schedule (Appendix A of the report) and the supporting evidence (Appendices B and C of the report) be approved as the basis for a six-week consultation, commencing in December 2022;
- (2) delegated authority be given to the Director of City Development, in consultation with the Council Leader, to agree minor changes to the Draft Charging Schedule before it is published for consultation;
- (3) following the consultation, the submission of the Draft Charging Schedule, supporting evidence and consultation responses and other information be approved to enable an independent examination on the Draft Charging Schedule to take place, subject to there being no revisions to the proposed CIL charges; and
- (4) following the consultation, if any further proposed revisions to the CIL charges are proposed, that an updated draft be brought to the Executive in advance of submission for examination.

ANNUAL INFRASTRUCTURE FUNDING STATEMENT 2022

The Executive received the report on the Annual Infrastructure Funding Statement for 2022, which set out information relating to funding that had been secured, received, committed and spent from the Community Infrastructure Levy (CIL) and Section 106 monies as required by the Community Infrastructure Levy Regulations. The report also provided an infrastructure list, which identified projects that could benefit from Community Infrastructure Funding in future.

Particular reference was made to the following three elements of the report:-

- the value of CIL receipts;
- the financial information regarding planning obligations secured through Section 106 Agreements; and
- the identification of a series of infrastructure projects which could be funded wholly or in part by CIL in the future (without commitment at this stage).

The Assistant Service Lead - Local Plan also advised on some of the changes to the infrastructure list, which included the addition of community facilities including the Pinhoe hub, strategic cemetery provision and improvements to sports facilities at King George V Playing Fields.

Councillor Wood declared a non-pecuniary interest at this point and left the meeting during consideration of the remainder of this item.

Councillor D. Moore, as an opposition group leader, spoke on this item. She welcomed many aspects of the report and referred to the importance of calculating carbon emissions in the projects identified for the future, including the impact of road building. She also identified the Water Lane and the Quay areas where improvements to infrastructure were required and made reference for the need to replace Mallison Bridge which would be an important element of the walking and cycling infrastructure in this area.

Councillor Mitchell, as an opposition group leader, spoke on this item and sought clarification on the regulations relating to Neighbourhood Plans for 25% of CIL contribution to be earmarked for such plans and asked if consideration could be given to such a contribution to the St. James Neighbourhood Plan area.

The Leader, in responding to questions raised, advised that:-

- Exeter did not possess Parish Councils within its local government boundary and there was an agreement in place on how money would be spent. He advised that he would seek advice on whether the Council could contribute to the Neighbourhood Plan; and
- any inclusion of Mallison Bridge, Water Lane and the Quay as areas for infrastructure improvement could be made as a recommendation at a future Council meeting.

RESOLVED that the content and publication of the Annual Infrastructure Statement for 2022 be noted.

PINHOE COMMUNITY HUB

Councillor Wood declared a non-pecuniary interest and left the meeting during consideration of the following item.

The Executive received the report to approve in-principle funding to the Pinhoe Community Hub, providing that full external funding outlined in the business case was achieved. The report sought Members' support to approve up to £1,222,707 towards the capital programme, as identified in the Pinhoe Community Hub Trustees business case.

The Director of Culture, Leisure and Tourism advised that a feasibility study had been undertaken to support the commitment to in-principle funding to assist the Trustees in applying for support from external funding sources.

Councillor Jobson, as an opposition group leader, spoke on this item and, whilst supporting the concept and referring to the amount raised to date by the Trustees asked how realistic it was that the Trust could raise £765,000.

During the discussion reference was made to the value of new community facilities in other areas of the city and that a Hub for Pinhoe would be particularly beneficial given the significant amount of new housing built in the area in recent years. Members also noted that the report showed that the Council was willing to support neighbourhoods, despite any risk involved.

The Director Finance in responding to the question raised, advised that the Trustees had identified a range of options, which were credible, but it remained to be seen if they could be successful. The report made it clear that Council funding was dependent on the success of the fundraising. However, the contribution for the Council should also provide comfort to potential granters of capital and that there were matched funds available.

RECOMMENDED that Council approve:

- (1) in principle for up to £1,222,707 of CIL and Section 106 funding towards the development of the Pinhoe Community Hub once full external funding is confirmed;
- (2) that officers to continue working with Trustees for the funding to be released, subject to confirmation of the provision of full funding. Should this not be possible the matter will be brought back to Council; and
- (3) that a Memorandum of Understanding (MOU) be developed with the Pinhoe Community Trustees to confirm the above.

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OVERVIEW OF GENERAL FUND REVENUE BUDGET 2022/23 - QUARTER 2

The Executive received the report on the overall financial position of the General Fund Revenue Budgets for the 2022/23 financial year after six months and sought Council approval for the additional expenditure required during the financial year.

Particular reference was made to:-

- the increase in car park income which was now projected to be closer to the budgeted figure;
- the increase in return on investments resulting from the net interest rate increases, some of which would be paid to the HRA as well as benefitting the General Fund;
- there was no intention to seek short or long-term borrowing at present because of the interest rate rises; and
- a number of the supplementary budgets identified would be self-funding.

Councillor Jobson, as an opposition group leader, spoke on this item and enquired on how many new Leisure memberships had been made on a month-by-month basis and whether steps were being taken to improve the take up of Home Call.

Councillor D. Moore, as an opposition group leader, spoke on this item requesting confirmation that there was no intention to proceed with the Columbarium project. She sought clarification why, in respect of housing, that two of the three business cases would not start this year and whether there would be a loss on waste charging services due to credit payments made to residents as a result of the recent disruption to bin collections.

In response to the questions raised, the Leader and the Director Finance advised that:-

- there were 12,102 active Leisure members;
- the Columbarium project was unlikely to proceed due to the significant challenges regarding its positioning;
- the two housing business cases would not proceed this year;
- credit payments would be made to residents in respect of the bin collection service but the impact was unknown at present; and
- following a reduction in the number of Service Leads in Net Zero and City Management, Home Call had recently been transferred to Environmental Health and Community Safety, along with the CCTV service. The Service Lead was undertaking a full review of the commercial and advertising approach for Home Call, which would result in a more active marketing and a better tie in with some of the services the team already offered. There was a great deal of competition in this market but there was confidence that the service could be expanded.

RECOMMENDED that Council notes and approves (where applicable):

- (1) the General Fund forecast financial position for the 2022 financial year;
- (2) the supplementary budgets as detailed in paragraph 8.12 and Appendix 3 of the report;
- (3) the outstanding Sundry Debt position as at September 2022;
- (4) the creditors payments performance; and
- (5) the One Exeter programme update.

2022/23 GENERAL FUND CAPITAL MONITORING STATEMENT - QUARTER 2

The Executive received the report on the current position of the Council's revised Annual Capital Programme and the anticipated level of deferred expenditure into future years. The report also sought approval from Members to amend the annual Capital Programme in order to reflect the reported variations.

Particular reference was made to:-

- the revised Capital Programme budget for the current financial year of £95.550 million with the Council having spent £49.532 million in the first six months, equating to 51.84% of the revised programme, which compared with £9.694 (9.06%) that had been spent in the first six months of 2021/22;
- there was an additional budget request for the allocation of £150,000 to reconstruct a retaining wall on Countess Wear Road which collapsed in December 2020 and would be funded from the underspend on the district lighting programme; and
- work was being undertaken on the reduction in the overall programme reflecting the increase in borrowing requirement interest rates.

RECOMMENDED that Council approve:

- (1) the overall financial position for the 2022/23 Annual Capital Programme; and
- (2) the amendments and further funding requests to the Council's Annual Capital Programme for 2022/23.

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2022/23 HRA BUDGET MONITORING REPORT - QUARTER 2

The Executive received the report on the financial position of the HRA Revenue and Capital Budgets for the 2022/23 financial year after six months and the reported budgetary over/under-spends. The report also highlighted areas of risk, where certain budgets had been identified as being vulnerable to factors beyond the control of the Council, resulting in potential deviations from budget, and were being monitored by officers.

Councillor D. Moore, as an opposition group leader, spoke on this item and referred to the general maintenance budget overspend and requested confirmation that there would be no delay in the maintenance for Council Housing.

The Director Finance, in responding, advised that there was sufficient flexibility within the overall HRA budget to ensure that there would be no impact on the repairs and maintenance element. Much of the work related to void properties and it was important to ensure that these were fit for occupation to contribute to the income stream.

RECOMMENDED that Council note and approves (where applicable):

- (1) the HRA forecast financial position for 2022/23 financial year; and
- (2) the revision of the HRA Capital Programme to reflect the reported variations detailed in Appendix 4 of the report.

130

TREASURY MANAGEMENT 2022/23 HALF YEAR UPDATE

The Executive received the statutory report on the current Treasury Management performance for the 2022/23 financial year and the position of investments and borrowings at 30 September 2022. The Council was currently maintaining an under-borrowed position, so the actual borrowings of the Council were below the Council's borrowing requirement, as it had taken advantage of internal borrowings

The Director Finance explained that, because of the volatile interest rates, especially the Government Gilts which underpinned the Public Works Loans Board, the Council's stated borrowing strategy was to defer borrowing until later years, where possible, and to reduce the size of the Council's investment balance instead.

Councillor Jobson, as an opposition group leader, spoke on this item and sought clarification that Thurrock Council and the Standard Chartered fixed term deposits had been re-paid? She also enquired whether there would be an assessment on any future loans from the Public Works Loan Board (PWLb).

The Leader, in responding to questions raised, advised that:-

- the Thurrock Council fixed rate deposit had been repaid in full and the Standard Charter fixed term deposit had been rolled over for a further six months; and
- the Council's Treasury Management advisors provided a regular assessment of the interest rates.

RECOMMENDED that Council note the Treasury Management report in respect of the first six months of the 2022/23 financial year.

131 **MANAGEMENT PROVISION OF THE COUNCILS TEMPORARY AGENCY STAFF**

The Executive received the report which sought approval to award a new contract for the management provision of the Council's Temporary Agency Staff, which would offer a value for money approach on the rates paid for temporary labour and efficiency savings through consolidation of suppliers. The contract would also enable a better response from the temporary staff supply market to fill roles which historically were more difficult to fill.

RESOLVED that the Temporary Agency Staff contract be awarded to Comensura through a neutral vendor arrangement for an initial period of two years with an option to extend for a possible two further one-year extensions.

132 **REQUEST FOR A VARIATION OF HACKNEY CARRIAGE FARES**

The Executive received the report which provided the results of the public consultation exercise and the responses in relation to the variation of the table of fares on increasing the Hackney Carriage Fare Tariff.

Members noted that following the consultation period a total of nine responses had been received, with seven being in support and two against.

Councillor Jobson, as an opposition group leader, supported the variation of the Hackney Carriage fares.

RESOLVED that the Hackney Carriage Fare Tariff proposal be approved and implemented with effect from 1 January 2023.

133 **LIVE AND MOVE STRATEGY AND GOVERNANCE PROPOSAL**

The Executive received the report on the Exeter and Cranbrook Live and Move Programme, which was funded by Sport England to tackle physical and health inequalities. Following a review of the governance structure and strategy, approval was sought for the new governance structure, with the Council being responsible for key financial and strategic programme decision making, which would be updated in the Council's constitution to reflect the changes.

Particular reference was made to:-

- extensive engagement work with Sport England and other partners over the last 12 months to tackle inequalities around physical activity and health and well-being;
- a focus on specific communities such as Wonford, Beacon Heath and Exwick as well as other identified locations across the city;
- there was a two and half year agreement with Sport England to deliver the work and to find additional resources.

During the discussion the following points were made:-

- the aims of the Live and Move Strategy supported the goals of sustainable transport;

- the programme would help address the impact of the COVID-19 pandemic on physical activity levels, health outcomes and widening inequalities. Residents in the poorest neighbourhoods were three times more likely to be inactive than the mainstream population. There had been a fall in activity levels and a decrease in general health and wellbeing for those on low incomes and from culturally diverse communities;
- the programme would help meet the 2040 vision for every child to live in an inclusive, healthy, and sustainable city;
- the programme would build on the Council's 2021 decision to bring the Leisure Services under direct management, which was enabling leisure services to be opened to the widest possible audiences through new ways for collaborative working with Exeter Leisure and the chance to establish stronger connections with the Wellbeing Exeter programme;
- the programme would also help address the potential impact of the cost-of-living crisis on physical activity levels; and
- Inclusive Exeter had recently held a free badminton session for the BME community at the Wonford Leisure Centre.

Councillor D. Moore, as an opposition group leader, spoke on this item. She welcomed the commitment to engage further with communities and asked for reports on progress with the programme. Whilst recognising the importance of targeting specific areas of the city, Councillor D. Moore referred to the St. David's ward as an area with high levels of deprivation which could also benefit from targeting. She sought assurance that there would be opportunities for the voluntary and community sectors to be able to fully engage in the governance process including the sounding board.

The Active and Healthy Programme Lead in responding, advised that the Sounding Board was not a decision-making body but a forum which offered the opportunity for residents to engage in the Live and Move Programme, which any resident was welcome to participate in. Existing voluntary and community organisations were involved in the programme and could direct residents to various activities and were helping in growing networks across the city.

RECOMMENDED that Council approve:

- (1) the revised Governance Structure and Terms of Reference;
- (2) the updating of the Council's constitution; and
- (3) that the Live and Move Strategy is noted with delegated powers granted to the Director of Culture, Leisure and Tourism, in consultation with the relevant Portfolio Holder.

THE EXETER COMMUNITY LOTTERY

The Executive received the report which sought approval to establish a community lottery for Exeter, with the proceeds to be distributed by the Exeter Grants Programme and to provide support to the city's voluntary sector. Since 2015 more than 110 other Local Authorities had also setup or were in the process of setting up local lotteries to support good causes in their areas. The proposal would enable officers to engage an External Lottery Manager (ELM), to enable the Council and other city societies to raise funds for their own corporate strategic priorities.

Councillor D. Moore, as an opposition group leader, spoke on this item. She referred to the proposal as an interesting idea which had been first referenced within the Commercialisation Strategy and enquired how much money would be contributed to the Council. She stated that the Equality Impact Assessment had not

referenced faith groups who played an important part in community life and some were opposed to the principle of lotteries.

Councillor Jobson, as an opposition group leader, spoke on this item and questioned whether the scheme was appropriate at this time and sought assurance that there would be safeguards in place.

During the discussion the following points were made:-

- the subject would be discussed at Council and would be run as a professionally run lottery which would support the community and voluntary sectors;
- the Portfolio Holder for Communities and Homelessness Prevention would be pleased to share the research undertaken with the opposition leaders, which had moved the project forward and would help to inform the Council debate;
- other local authorities had been able to set up community lotteries since legislation was passed in 2007 and there were now over 100 local authorities licensed to run lotteries by the Gambling Commission and regulated under the Gambling Act 2005;
- it would be a sustainable way of supporting communities and enabling causes to help themselves with the local authority facilitating this by holding the operating licence; and
- it could benefit smaller organisations who did not possess the resources to seek support from funding sources.

In response to the questions raised, the Director for Culture, Leisure and Tourism advised that:-

- the report had followed on from the Commercialisation paper, and had been brought forward as a separate initiative; and
- the Council already provided significant financial support to the Exeter voluntary and community sector through its Exeter Community Grants programme and this and other initiatives could be drawn upon by those groups opposing the lottery principle.

RECOMMENDED that Council approve:

- (1) the establishment of a local community lottery for Exeter;
- (2) for the Director of Culture, Leisure and Tourism, in consultation with the Portfolio Holder for Communities and Homelessness Prevention to contract an 'External Lottery Manager' to deliver the scheme on the Council's behalf;
- (3) the distribution of any proceeds through the Exeter Grants Programme; and
- (4) the Council joining the Lotteries Council in order to deliver the lottery through best practice and access free membership services on legal and compliance issues.

135

MAJOR CAPITAL PROJECTS BUDGETS: EDWARDS COURT EXTRA CARE SCHEME AND EXETER BUS STATION & ST. SIDWELL'S POINT PROGRAMME.

The Executive received the report which sought approval of additional funding in connection with recent major capital projects of 'Exeter Bus Station & St. Sidwell's Point programme' and Edwards Court Extra Care Scheme. The progress of the projects and discussions with key suppliers/contractors were at a stage whereby the total forecast outturn costs could be confirmed. The report also sought approval for a funding request of £2,166,921 for costs in connection with Covid payments.

The Leader advised that, following the vote, the meeting would be moved to Part 2 to allow Members to consider exempt information for discussion as defined in paragraph 3 of Part 1, Schedule 12A of the Local Government Act 1972.

The Leader read a list of the various awards won by St. Sidwell's Point, and expressed his thanks to all those involved in its development.

The Director for Culture, Leisure and Tourism advised that the construction of the three sites took place during the Covid Pandemic and highlighted the challenges that were involved. He paid tribute to the teams involved and to the 2,500 construction workers who had been involved during the contract.

Councillor D. Moore, as an opposition group leader, spoke on this item and expressed her congratulations on the number awards. She enquired on where the money for the Covid Settlement was coming from.

Councillor Jobson, as an opposition group leader, spoke on this item and advised she would ask her question when the meeting moved to Part 2 due to commercial sensitivity.

During the discussion the following points were made:-

- it was a testimony to all those involved, that the project had been delivered despite the difficulties caused by the Covid-19 Pandemic, and that the work on St Sidwell's had continued during this period;
- several public testimonies had been received praising both the St. Sidwell's Point and Edwards Court Extra Care Scheme as excellent, modern and friendly facilities; and
- Edwards Court had received praise by a resident who was nearly 100 years old who lived at the facility.

In response to the question raised by Councillor D. Moore, the Leader advised that money would be coming from the HRA budget and there would be no borrowing in relation to the settlement.

The Leader thanked Phil Lewis, Justin Pickford and Emma Osmundsen for their hard work on St. Sidwell's Point.

RECOMMENDED that Council approve:

- (1) additional funding of £1,164,049 in connection with the assessed contractual entitlement costs on the Exeter Bus Station and St. Sidwell's Point programme being - 2.15% of the original programme budget;
- (2) the funding of £1,750,000 in relation to the 'Covid Settlement' payment in relation to St Sidwell's Point;
- (3) additional funding of £363,385 in connection with the assessed contractual entitlement costs on the Edwards Court Extra Care scheme, being - 2.55% of the original programme budget;
- (4) funding of £416,921 in relation to the 'Covid Settlement' in relation to Edwards Court Extra Care scheme; and
- (5) payments to Kier as set out in recommendations 1- 4 being made before 24 December 2022, provided that Kier agree the sums set out above are in full and final settlement of all/any claim they may have against the Council in relation to their accounts for the Exeter Bus Station and St.Sidwells Point programme and Edwards Court Scheme and formalised by way of settlement agreement signed by both parties.

136 **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 item on the grounds that it involved the likely disclosure of exempt information as defined in paragraph 3 of Part 1, Schedule 12A of the Act.

137 **MAJOR CAPITAL PROJECTS BUDGETS: EDWARDS COURT EXTRA CARE SCHEME AND EXETER BUS STATION & ST. SIDWELL'S POINT PROGRAMME.**

The meeting was moved into Part 2 to discuss the commercially sensitive details in the report.

Justin Pickford (Baker Ruff Hannon) and Phil Lewis (Randall Simmonds) were in attendance and responded to questions from Members and the Opposition Leaders.

The recommendations were agreed in Minute No.135.

(The meeting commenced at 5.30 pm and closed at 8.05 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 13 December 2022.

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