

EXECUTIVE

Monday 29 June 2009

Present:-

Councillor Fullam (Chair)

Councillors S Brock, Cole, Edwards, Mrs Henson, Mitchell, Mrs J Morrish, Newton and Wadham

Chief Executive, Director Economy and Development, Director Corporate Services, Director Community and Environment, Assistant Chief Executive, Head of Leisure and Museums, Head of Treasury Services and Member Services Manager

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DECLARATIONS OF INTEREST

A Member declared the following personal (*prejudicial) interests:

COUNCILLOR	MINUTE
Edwards	87* and 88 (employee of Stagecoach Devon)

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CAPITAL MONITORING 2008-09 AND REVISED CAPITAL PROGRAMME FOR 2009-10 AND FUTURE YEARS

The report of the Head of Treasury Services was submitted, informing Members of the overall financial performance of the Council for the 2008-09 financial year, in respect of the annual capital programme. It also sought approval of the 2009-10 revised capital programme, including commitments carried forward from 2008-09.

Scrutiny Committee – Resources considered the report at their meeting on 17 June 2009 and the support and comments of the members were noted.

In response to a question regarding the underspend on Social Housing Grants, the Head of Treasury Services advised that there has historically been some slippage on the budget since the Council was dependent on social housing partners being able to identify and develop suitable sites. The underspend also reflected the downturn in house building.

RECOMMENDED that:-

- (1) the overall financial position for the 2008-09 annual capital programme be noted; and
- (2) the amendments to the Council's annual capital programme for 2009-10 be approved.

(Report circulated)

OVERVIEW OF REVENUE BUDGET 2008-09

The report of the Head of Treasury Services was submitted, informing Members of the overall final financial performance of the General Fund Revenue Budget for the 2008-09 financial year ended 31 March 2009.

Scrutiny Committee – Resources considered the report at their meeting on 17 June 2009 and the support and comments of members were noted.

The Head of Treasury Services identified the main reasons for the overspend on the approved budget, citing the concessionary travel scheme, reduced investment interest, and a reduction in income from parking charges, planning fees and the Archaeological Field Unit as major contributory factors.

Executive was pleased to note the overall increase in the HRA working balance and the relatively small overspend on the General Fund Revenue Budget. They also welcomed the improved Council tax collection rate which was contrary to the national trend.

RECOMMENDED that:-

- (1) the report be noted;
- (2) the net transfer of £1,020,596 from Earmarked Reserves as detailed in paragraph 3.14 of the report be approved;
- (3) supplementary budgets totalling £456,220 be approved as detailed in paragraph 3.11;
- (4) Earmarked Reserves at 31 March 2009 be noted;
- (5) the Council Tax account and collection rate be noted;
- (6) the outstanding sundry debt and aged debt analysis be noted;
- (7) the Creditor Payments performance be noted;
- (8) by taking into account the overall financial position of the Council as set out in paragraph 3.10 of the report, the General Fund working balance as at 31 March 2009, be approved at £5,583,113; and
- (9) the Housing Revenue Account working balance at 31 March 2009 is approved at £2,858,265.

(Report circulated)

TREASURY MANAGEMENT 2008-09

The report of the Head of Treasury Services was submitted, informing Members of the overall performance for the 2008-2009 financial year and the position regarding investments and borrowings at 31 March 2009.

Scrutiny Committee – Resources considered the report at their meeting on 17 June 2009 and the support and comments of members were noted.

Executive was pleased to note that the Fund Manager had returned an overall rate of return of 7.15% on managed cash funds for 2008-09 compared to a benchmark return of 3.74%. Members were reminded that the Fund Manager would be attending the Members' Briefing on 9 September to talk about the Investment Strategy and Ethical Investment.

The Head of Treasury Services updated Executive on the position with regard to the Icelandic bank investments. The Local Government Association's legal advice had placed local authority deposits as "priority claims". As such, it was anticipated that 100% of the Glitnir investment would be returned and 83% of the Landsbanki investment. It was hoped some interest may also be payable.

A Member queried the role of the in-house team in respect of the Investment Strategy and was assured that officers worked within strict parameters. Members supported the request of Scrutiny Committee - Resources that the Leader and Chair of that Committee should be kept informed of any significant issues which arose. In response to a query regarding the split of investment between banks, the Head of Treasury Services advised that it was good practice to spread the risk.

The Chair acknowledged that all investment which made acceptable returns carried intrinsic risk and that the Council's prudent Investment Strategy had underpinned the Council's ability to deliver quality services whilst keeping Council tax rates at the 5th lowest level in the country.

RECOMMENDED that the Treasury Management report for the 2008-2009 financial year be noted.

(Report circulated)

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ANNUAL GOVERNANCE STATEMENT

The report of the Head of Treasury Services was submitted, setting out the proposed Annual Governance Statement to be included within the Council's Annual Statement of Accounts for 2008/09.

Scrutiny Committee – Resources considered the report at their meeting on 17 June 2009 and the support and comments of members were noted.

RECOMMENDED that the Annual Governance Statement be approved for inclusion within the Council's Annual Statement of Accounts for 2008/09.

(Report circulated)

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DELIVERING VALUE FOR MONEY

The report of the Head of Treasury Services was submitted, informing Members of the Council's performance in trying to achieve value for money cash efficiency savings for the previous (2008/09) financial year.

Scrutiny Committee – Resources considered the report at their meeting on 17 June 2009 and the support and comments of members were noted.

Executive was pleased to note Value for Money gains of 3.5% as a percentage of 2007/08 baseline expenditure, equivalent to £35 per Band D dwelling.

RESOLVED that the contents of the report are noted and the identified savings in the draft 2008/09 schedule are included as part of the Council's overall submission for National Indicator 179.

(Report circulated)

83

REVIEW OF EQUALITIES

The report of the Director Corporate Services was submitted, updating Executive on achievements made so far and advising of future action over the coming year.

Scrutiny Committee – Resources considered the report at their meeting on 17 June 2009 and the support and comments of members were noted.

RESOLVED that the future actions put forward in this report be approved.

(Report circulated)

84

LEISURE FACILITIES MANAGEMENT - A NEW CONTRACT

The report of the Head of Leisure and Museums was submitted, informing Members of the key elements of the new contract due to be let in 2010 for the management of the Council's contracted sports and leisure facilities.

Scrutiny Committee – Resources considered the report at their meeting on 17 June 2009 and the support and comments of members were noted.

The Director Community and Environment introduced the report referring to the three main options for the delivery of the leisure facilities operation, the scope of the contract and the proposed process for securing an operator.

A member enquired whether it was possible to include school leisure facilities within the contract but was advised that attempts to engage the current provider in this process had been unsuccessful. In response to a suggestion that a shorter contract may be more prudent, members were advised that a ten-year contract was the minimum period that would be attractive to tenderers in view of the set-up cost required. Any shorter period would severely threaten the likelihood of securing a successful contract and most leisure facilities contracts were for longer periods, often 20 -25 years. It was necessary to strike a balance in relation to the length of the contract – only five potential operators had so far been identified - and there was a risk in splitting the contract or reducing the term.

With regard to the timing of the contract in the context of the local government review, the Director Community and Environment reported that the existing contract with DC Leisure had already been extended and that an arrangement with Riverside Leisure Centre would need to be in place at the end of its contract period. The Director emphasised that sufficient flexibility would be built into the new contract to enable the inclusion of a new swimming pool.

RESOLVED that:-

- (1) the key contract features identified in the report be approved; and

- (2) subject to no substantial variations in the key contract features identified in this report, approval of the contract documentation be delegated to the Director Community and Environment in consultation with the Leader of the Council and the Portfolio Holder for Environment and Leisure and appropriate Council officers.

(Report circulated)

85

DRAFT SUPPLEMENTARY PLANNING DOCUMENT - PLANNING OBLIGATIONS

The report of the Head of Planning and Building Control was submitted, seeking approval to the draft Planning Obligations Supplementary Planning Document (SPD) for public consultation. The SPD offers guidance on the planning obligations that may be required to satisfy planning policies and ensure that development results in sustainable outcomes.

RESOLVED that the draft Planning Obligations Supplementary Planning Document (SPD) be approved for public consultation.

(Report circulated)

86

RESULTS OF CONSULTATION ON TOPSHAM CONSERVATION AREA APPRAISAL AND MANAGEMENT PLAN

The report of the Head of Planning and Building Control was submitted, asking Members to consider representations received in relation to the draft Topsham Conservation Area Appraisal and Management Plan (CAAMP) and proposed amendments to the document to be recommended for adoption.

Executive noted the main issues raised in the consultation together with the proposed responses.

RESOLVED to adopt the amended conservation area, shown on the plan attached to the report, and the appraisal and management plan.

(Report circulated)

87

CONCESSIONARY TRAVEL SCHEME

Councillor Edwards declared a personal and prejudicial interest in the item as an employee of Stagecoach Devon and left the meeting during consideration of the item.

The report of the Head of Parking, Engineering and Business Support was submitted, informing Members on developments in relation to the concessionary travel scheme and seeking views on options for changing the administration of the scheme.

Scrutiny Committee – Economy considered the report at their meeting on 11 June 2009. The Director Economy and Development highlighted the key points of a Department for Transport consultation paper on possible changes to the administration of the concessionary travel scheme, with an implementation date of April 2011. It was noted that, in principle, officers would support an approach to shift responsibility from Districts to County Councils or unitaries because of their wider strategic transport responsibilities.

Executive noted that, following a lengthy discussion, Scrutiny Committee members had considered that moving the administrative function to the County authority would be the most appropriate approach but they had requested Executive 's endorsement to their comments before responding to the consultation.

Executive supported the transfer of responsibility for administration of the scheme to the County Council for the reasons cited by Scrutiny Committee – Economy. Executive members also felt this would achieve some consistency and efficiency in the process and would help smooth out the financial effects of the scheme across urban and rural districts.

RESOLVED that:-

- (1) the contents of this report be noted; and
- (2) in response to their consultation, the Department for Transport be informed that the Council supports the option of transferring the responsibility for administration of the Concessionary Travel Scheme to Transportation Authorities.

(Report circulated)

88

SUSTAINABLE COMMUNITIES ACT 2007 - PROPOSALS

Councillor Edwards declared a personal interest in the issue as an employee of Stagecoach Devon.

The report of the Assistant Chief Executive was submitted, asking Members to consider the proposals received in response to the Sustainable Communities Act 2007. The Assistant Chief Executive informed members of the process which had been adopted to shortlist the proposals and that proposals supported by Executive would be submitted to the Local Government Association (LGA) Selector Panel for further consideration.

The Director Economy and Development advised members of his observations on the four proposals as outlined on the proposal summary forms. He also referred to further comments on the proposals which had recently been received from Devon County Council, the Transportation Authority. In relation to the proposal that all buses in rural areas should be capable of carrying at least two bikes, concerns related particularly to safety and liability issues for damage and injury. A pilot scheme had experienced low take-up and high costs. With regard to the proposal to enable the Council to levy non-domestic rates on store car parking, he informed members that non-domestic rates were already charged on superstore parking but it appeared that the proposal was now to levy a separate tax on these spaces. A proposal to introduce charging for out-of-town store parking nationally was floated in the late 1990s but was heavily opposed by the supermarket operators and subsequently dropped by the government. He also commented on the two other proposals which had not been supported by the Sustainable Communities Act (SCA) Panel for submission to the LGA at the present time.

Members discussed the proposals submitted. They referred to the success of the Oyster card scheme in London as an example of how integrated transport could work but were advised that differences in the legislative control of transport in London and outside London made effective integration outside London very difficult to achieve.

Executive welcomed the introduction of the Sustainable Communities Act and the adoption of the process which had enabled local people to put forward ideas. Councillor Newton, who had chaired the SCA Panel, commented on the positive and productive nature of the meeting and her wish to encourage people to participate in the process. She considered the process would contribute to tackling political apathy and provided a genuine opportunity to engage communities in the development of ideas and services. The Leader referred to the poor turnout at elections and the Place Survey which had revealed a low percentage of people who felt they could influence decision-making.

Whilst acknowledging that the proposals required further work on the detail and practical implications, Members considered that the two shortlisted proposals had considerable merit and should be supported by the Council for submission to the LGA Selector Panel.

Other members hoped that the Council could retain the enthusiasm of the Panel members and requested greater involvement of officers in future Panel meetings.

RESOLVED that:-

- (1) the views of the Sustainable Communities Act Panel in respect of the proposals submitted be noted;
- (2) the following two proposals made under the Sustainable Communities Act 2007 be supported and submitted to the Local Government Association Selector Panel:
 - Bikes on rural buses
 - Non domestic rates on store car parking spaces
- (3) the proposals relating to parking tariffs and Integrated Transport be not submitted to the LGA Selector Panel, for the reasons indicated by the SCA Panel and stated in the report;
- (4) the proposers be requested to undertake further work on the Integrated Transport proposal; and
- (5) parking tariffs continue to be set through the established mechanism of the annual review process.

(Report circulated)

PLACE SURVEY 2008 RESULTS

The report of the Assistant Chief Executive was submitted, informing Members of the results of the national Place Survey conducted in Autumn 2008.

The Assistant Chief Executive undertook to circulate the results of the 2006 Best Value Indicator survey to Executive members for the purpose of comparison. Members noted that the top three issues identified as most needing improvement in Exeter were outside the remit of the City Council.

RESOLVED that the results of the Place Survey 2008 be noted.

(Report circulated)

90

WAVELENGTH 19 - SURVEY RESULTS

The report of the Assistant Chief Executive was submitted, informing Members of the results of the Wavelength 19 survey conducted in April 2009.

RESOLVED that the results of the Wavelength 19 survey be noted.

(Report circulated)

91

PORTFOLIO HOLDER - CHANGE OF TITLE

Since the function of social inclusion was encompassed within the broader function of community consultation and engagement, Executive noted the proposal to change the title of Portfolio Holder for Housing and Social Inclusion to Portfolio Holder for Housing and Community Involvement.

The Portfolio Holder for Housing and Social Inclusion considered that the proposed title more accurately and meaningfully described the remit of the portfolio.

RECOMMENDED that the Portfolio for Housing and Social Inclusion be re-named as Portfolio for Housing and Community Involvement and the Constitution be amended accordingly.

92

HIGHWAYS AGENCY PROPOSALS FOR JUNCTION 29 OF THE M5 AND THE A30 TRUNK ROAD

The report of the Director Economy and Development was submitted, informing Members of the current consultation by the Highways Agency on improvements to the M5/A30 junction.

The Chair agreed to accept this item as a matter of urgency in view of the need to respond to the Highways Agency by 13 August, the end of the public consultation period.

In response to a request, the Director Economy and Development undertook to seek, at the appropriate time, further details from Devon County Council of their traffic management plan in relation to the proposed works around Junction 29.

RESOLVED that strong and unanimous support be expressed for the proposed improvements to the M5/A30 junction, in order to help deliver the future prosperity of Exeter and the sub region.

(Report circulated)

93

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 involves the likely disclosure of exempt information as defined in paragraph 3 or Part I, Schedule 12A of the Act.

PROGRESS ON RAMM DEVELOPMENT PROJECT

The quarterly progress report of the Head of Leisure and Museums was submitted, informing Members of the issues around this major capital project.

Scrutiny Committee – Resources considered the report at their meeting on 17 June 2009 and the support and comments of members were noted.

The Director Community and Environment reported that a visit by the Heritage Lottery Fund had indicated that they were satisfied that the additional works had been both unpredicted and unpredictable.

Whilst Executive members expressed strong concern at the likely additional costs on the scheme and frustration at the difficulties that had been encountered, it was agreed that the prime objective should be to complete the project. Members reiterated the desirability of having additional independent client support and were disappointed that efforts to recruit to the post had so far been unsuccessful.

The Chief Executive referred to the difficulty of foreseeing problems on a building of this age and nature and the considerable effort officers had made over a long period to progress the scheme and mitigate problems. He urged Councillors to undertake the tour of the Museum arranged for 6pm on 7 July in order to see the problems first hand.

RECOMMENDED that:-

- (1) the additional client resource be deployed on this project;
- (2) the client team continues to take all possible measures to regain control of the project and remove as much risk as possible from the project; and
- (3) an uplift to the budget be approved for the fit out contract of £180,000 of which £90,000 is contingency.

(Report circulated to Members)

(The meeting commenced at 5.30 pm and closed at 8.00 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 14 July 2009.