

EXECUTIVE

Tuesday 28 November 2023

Present:

Councillor Bialyk (Chair)

Councillors Wright, Foale, Morse, Parkhouse, Pearce, Williams, R and Wood

Also present:

Councillor Jobson (as an opposition group Leader);

Councillor Moore (as an opposition group Leader); and

Councillor M. Mitchell (as an opposition group Leader).

Councillors in attendance under Standing Order No. 44

Councillor Vizard speaking on item 10 (Minute No. 110 below)

Apologies:

Councillor Denning

Also present:

Chief Executive, Director Net Zero Exeter & City Management, Director of City Development, Director Finance, Service Lead - Environmental Health & Community Safety, Assistant Service Lead – Local Plan, Collections & Content Manager and Democratic Services Manager

107

MINUTES

The minutes of the meeting held on 7 November 2023, were taken as read, approved and signed by the Chair as a correct record.

108

DECLARATIONS OF INTEREST

No declarations of disclosable pecuniary interests were made.

109

QUESTIONS FROM THE PUBLIC UNDER STANDING ORDER NO. 19

Three questions were received from Members of the public, relating to Minute No. 110. For Mrs Thompson, who was unable to be present, her question and response are as follows:-

Question received from Mrs Cynthia Thompson

As the Director of Finance and City Surveyor report appears to indicate the disposal of the Clifton Hill site would be sold on an unrestricted basis, would this mean the site could be developed with student housing even if previous reassurances from the City Council seemingly indicated restrictions would be attached for development on this site?

Response

The Director Finance as Section 151 Officer, had a legal duty to act in the interests of the taxpayer and the City Surveyor had a duty to achieve best consideration for the Council in respect of property transactions, therefore the Officers recommendations in the report reflect this.

However, it was for Council to determine the final decision in respect of the sale of assets taking into consideration all factors and it is the right of elected members to make a different decision from that recommended if they so wish.

Question received from Dr Virginia Russell

Given that plans to sell the Clifton Hill site generated significant public concern when first proposed, will you provide adequate opportunities for members of the public to scrutinise and comment on any new plans recommended?

Response

Consultations and decisions regarding planning and have been agreed. Should any revisions come forward to those plans, then the appropriate consultations will of course take place in accordance with our agreed procedures.

Supplementary question, asked by Dr Russell

Given the short time frame that's been suggested for the resale, we have no idea where the boundaries of the site being sold are, or what trees will be remove. There has been a significant loss of habitat and biodiversity in the area. Can you assure us that local people will at least have a chance to scrutinise the area that's being sold and to comment?

Supplementary Response

There were two elements to the question. The Planning element had already been approved by the Planning Committee. If any developer was to move in on that part of the site, they could follow those plans, but any change would require coming back to the planning committee, requiring public consultation. So the public, obviously, are consulted on all that. The second element will be answered in Item 19, which has been moved to the next item of business.

Question received from Ms Emily McIvor

Will Members respect previous public representations on the original plans to develop the Clifton Hill site, especially calls for ECC to retain ownership of the entire site including all green space (pink/yellow/green on your plan) to protect nature and benefit residents, in line with policies on climate change and biodiversity?

Response

Item 19, on tonight's agenda will consider the future disposal of the site. However, it is for Council to determine the final decision in respect of the sale of assets taking all factors into consideration, and it is the right of elected members to make a different decision from that recommended if they so wish. Following the recommendations of the officers, Executive members may amend those recommendations following the officer's presentation on item 19.

Supplementary question, asked by Ms McIvor

I understand that Councillors will decide this evening how to respond to the recommendations and the various options presented. I noticed that there was a limit

to the amount of financial information being made available to members of the public at this point. I would ask Councillors, to please, scrutinise all the various options. I'd like to particularly ask you to keep hold of the do nothing option'. I feel you could decide tonight to sell the previously built on portion of the site, and you could decide tonight to sell that for residential.

I can see the subtext in the Council papers very clearly. There's a clear leaning towards residential rather than the Council Officer's recommendation. However, any sale would mean losing control of that site. The public campaign sought to ensure that the Council kept control for so many different reasons.

Supplementary Response

I feel if you listen to the discussion in the next item, and hear what we have to say, I think you'll have a different view when you leave this evening.

110

DEVELOPMENT LAND DISPOSAL PROGRAMME

The Executive received the report, which following an Assurance Review of Exeter City Living (ECL) and Council approval in October 2023, would receive a report setting out a site disposal strategy in the likely event of a shortfall on the ECL loan after the Council acquires ECL's assets.

The report proposed a programme of disposals as set out below:-

(1) the unrestricted disposal of land at Mary Arches Street Car Park as shown on the site boundary plans in Appendix 1 of the report;

(2) the unrestricted disposal of land at Clifton Hill as shown on the site boundary plans in Appendix 2 of the report;

(3) the granting of delegate authority to the City Surveyor, in consultation with the Leader and the Director Finance (S.151 Officer) to approve the final terms of the disposals, in accordance with the Local Government Act 1972, Section 122, to appropriate the sites which belong to the Council (shown on the plans at Appendices 1 and 2), for planning purposes to facilitate the carrying out of development, re-development or improvement on or in relation to that land; and

(4) a budget of £800,000, funded by a mix of the earmarked reserve set aside for this purpose and the surplus income from the Guildhall Shopping Centre, to cover the costs of preparing the sites for disposal and the facilitation of best consideration for the Council's assets.

Members were advised that the S151 Officer had a legal duty to act in the best interest of the taxpayer of the city and the City Surveyor had a duty to obtain the best consideration for the Council in respect of all property transactions, which formed the officer recommendations, outlined in the report.

Particular reference was made to the Council's owning and responsibility for maintaining 100 operational properties, 28 bridges, 50 parks, 90 play areas, alongside footpaths, a river, canal, and a Roman wall. Currently, there was £22 million of works identified in the latest condition survey that were unfunded, and the generation of capital receipts was a means of addressing the backlog without incurring service cuts.

The total cost of funding the works to the revenue budget required £1.75 million of cuts to the revenue budget on top of the unidentified £4.4 million of cuts already required in the Medium Term Financial Plan. Officers had recommended the unrestricted sale of two assets at Mary Arches car park due to the sufficient spare capacity in the city to absorb the loss of this car park. Clifton Hill had also been recommended for disposal as it was the asset being recovered from ECL and would be most appropriate for disposal.

The Leader moved and Councillor Wright seconded an amendment to the recommendations to read as follows:-

2.1 the disposal of land at Mary Arches Street Car Park as shown on the site boundary plans in Appendix 1, the multi-storey car park site for co-living use, and the surface carpark for residential use.

2.2 the disposal of land at Clifton Hill as shown on the site boundary plans in Appendix 2, for use as residential homes on the existing site (shaded blue), retaining the green shaded area for existing use as an open space, and retaining the yellow and purple shaded areas for existing uses.

The Leader explained that the reason for the revision was that the Council was committed to no Purpose-Built Student Accommodation (PBSA) on Council land and delivering residential homes for the people in Exeter. The multi-storey car park site would be used for Co Living and the surface car park for residential use. Clifton Hill, would be used for residential homes on the existing site shaded blue, retaining the green shaded area as open space. If approved by Council, recommendations on how it would be achieved would be brought back to the Executive in a future report.

Councillor Vizard, having given notice under Standing Order No. 44, spoke on this item. He welcomed the Leader's amendment, which would ease residents' minds and clarified that the Council would honor its commitment to the residents at Clifton Hill. It was right and transparent that the Council commissioned a renewed independent report and valuation on these sites following the winding down of Exeter City Living to allow Members to consider options for future sale and development. When proposals previously came forward to sell and develop the whole site a few years ago, the Council had listened to the community in wanting to save the green space and sporting facilities. A balanced plan for new homes and the preservation of the rest of the site was brought forward instead.

Clifton Hill was a brownfield site which needed to careful consideration when faced with a national housing crisis in context with the challenge of preserving the threatened green fields and ridgeline of the city. The Council had to make choices about development and be responsible for providing homes of all types in Exeter over the next 20 years. The Council had no powers to control the number of students the university takes in, or the number of people who wish to come and live and work in the city.

Local authorities faced enormous financial pressures after 13 years of cuts to grants placing a terrible strain on local services. Exeter City Council was turning down millions in potential receipts by not selling the whole site by ruling out student accommodation.

Councillor Vizard welcomed the amendment which weighed up the need for homes and financial receipts with the compelling environmental case for the site. He welcomed holding to the previous decision, in ensuring that only the existing site

already earmarked for family homes be taken forward, which would exclude the public green space and areas currently occupied by the ski slope and golf driving range from development. He also welcomed the Executive Members holding to the Council's existing policy in not selling land within its ownership for student housing development.

In closing, Councillor Vizard highlighted that this was the right decision and demonstrated the commitment to protecting and enhancing the city environment, communities and raising wellbeing standards and health outcomes, while also providing desperately needed new homes to help address the national housing crisis. It was a difficult balance but this amendment would ensure we get right.

Councillor Jobson, as an opposition group leader, spoke on this item. She welcomed the amendments and advised that her previously submitted questions were no longer relevant. She remained concerned that more Co-Living would not be beneficial for housing residents of Exeter or that Mary Arches site would be used for residential development.

Councillor Moore, as an opposition group leader, spoke on this item and considered there to be insufficient information provided to the Executive to make an informed decision on the options for disposal. She raised the following points:-

- It was important to note that any sale would be dependent on planning permission being granted and therefore failure to agree a proposed scheme would jeopardise the Council's ability to write off the debt.
- Clifton Hill had permission, with conditions to provide affordable housing removed because a grant could be secured by Homes England to help fund it. The Planning Committee had indicated that it would buy those affordable homes, so had that grant and homes to be owned by the Council now been lost?
- There was no information on the Mary Arches Multi Storey Car Park (MSCP) feasibility and how close it was to the planning permission stage. Neither Exeter City Living (ECL) nor the Council had worked on this, so why was this not bought forward to planning?
- The Council had been awarded a grant for its demolition, was this still happening?
- It might be possible to keep sites that currently accommodated facilities encouraging active lifestyles. Were there were plans to sell the water sports association property too?
- In section 8.16, the outcome would be a receipt from student housing developers to cover the ECL write off generating some capital used to unlock further sites for the disposal programme. However, given the sum that has been proposed for CIL, Co-Living bedsits would be built in areas of high deprivation instead of homes, with residents paying three times over.
- The report continued the narrative conditions that had contributed to ECLs insolvency. The auditor and the assurance review had highlighted that there had been a failure on the part of the Executive to provide proper oversight of ECL.
- Members needed to know how much money had been spent by the Council since ECL was set up to look at site viability. What stages had the sites progressed to, why they didn't come forward, what internal decisions were taken and at what cost?
- the report was light on financial information. Clifton Hill was now considered a liability to the Council and Mary Arches was no longer an income generating asset. The Council was going to be asked to makes decisions without all the financial information and the full extent of the liabilities.

The Leader requested that due to the large number questions asked, that they be emailed to him for response.

Councillor M. Mitchell, as an opposition group leader, spoke on this item and thanked the officers for writing the report and noted the repercussions for the Council and the decisions to be made. He supported the amendment to allow the Council to maintain control on what is built on the land. He had concerns about Co Living and would like to see the evidence for it. He further noted that the recommendations would be decided by full Council where further opportunities to amend the recommendation could be made.

He raised concern that social housing development through ECL and retaining profits for investment in further ventures had not occurred and the Council was now in the situation of selling two sites with a potential deficit. A lot of money was spent on developing some very good plans for Clifton Hill in regards to the housing standards and now may see some speculative applications from planning developers to test the market.

During the discussion the following points were made:

- there were good reasons for not making all details in the report public and some details on what the Council was willing to accept for the sale of land could not be disclosed. The Council need to manage tax payer money wisely;
- the report was written by officers, who felt it important that the details of their report was presented to the public. Members usually agreed with officer recommendations, but on this occasion, Member's considered the recommendations needed amending.
- there were extensive details in the Part 2 appendices to explain the officer recommendations, and there was a complexity to the matter, but Members wanted to maintain their commitment that no PBSA's would be built on Council land we have after it was sold;
- the previous decisions were correct at the time, and the Council had maintained its rule in not developing PBSA's. The student population had increased over the last decade from 14,000 students to 39,000. Housing development focused on dealing with housing needs had not kept pace and traditional housing stock has been lost;
- the amendments were welcomed and Co-Living options were needed for younger residents and essential workers and embodied the inclusivity of Exeter; and
- there was a housing emergency and a need for good quality accommodation for various housing needs. Protecting the city's green ridge line was important, with limited development space and an increasing population. The Brownfield sites were suitable for good quality residential homes and Co-Living would provide that.

The Leader advised that some questions raised would be discussed in Minute No. 125, under Part 2. There were several issues to be addressed including financial considerations which would be discussed. He thanked the officers for bringing the report forward and advising on the consequences of the decisions being made.

That Executive RECOMMEND that the officer recommendations to Council be amended as follows:-

(1) the disposal of land at Mary Arches Street Car Park as shown on the site boundary plans in Appendix 1, the multi-storey car park site for co-living use, and the surface carpark for residential use.

(2) the disposal of land at Clifton Hill as shown on the site boundary plans in Appendix 2, for use as residential homes on the existing site (shaded blue), retaining the green shaded area for existing use as an open space, and retaining the yellow and purple shaded areas for existing uses.

(3) the granting of delegated authority to the City Surveyor, in consultation with the Leader and the Director Finance (S.151 Officer) to approve the final terms of the disposals, in accordance with the Local Government Act 1972, Section 122, to appropriate the sites which belong to the Council (shown on the plans at Appendices 1 and 2), for planning purposes to facilitate the carrying out of development, re-development or improvement on or in relation to that land; and

(4) a budget of £800,000, funded by a mix of the earmarked reserve set aside for this purpose and the surplus income from the Guildhall Shopping Centre, to cover the costs of preparing the sites for disposal and the facilitation of best consideration for the Council's assets.

111

PROPOSED WITHDRAWAL AND DISSOLUTION OF THE HEART OF THE SOUTH WEST JOINT COMMITTEE

The Executive received the report on the steer from Leaders and Senior Members of several Devon Constituent Authorities to consider the withdrawal and dissolution of the Heart of the South West (HotSW) Joint Committee, which the Council was a member of. The report was focussed on the joint committee's governance rather than the Heart of the Southwest Local Enterprise Partnership or the associated Heart of the Southwest Joint Scrutiny Committee.

Members noted that the integration of Local Enterprise Partnerships (LEP) into local authorities and their relationship with devolution deals, meant that the purpose of the joint committee had been superseded and delivery could be achieved through other existing partnership arrangements. It was agreed by the Leaders and Senior Members of the constituent authorities that the proposal to withdraw be brought forward officially to the appropriate bodies of the constituent authorities.

Reference was made to, Plymouth withdrawing from the devolution deal, leaving only Devon and Torbay, which had occurred following the publication of the report.

Councillor Moore, as an opposition group leader, spoke on this item and in thanking the Chief Executive for the report enquired whether the cost for withdrawal could be outlined?

Councillor M. Mitchell, as an opposition group leader, spoke on this item and highlighted that the withdrawal was a joint exercise with the other authorities.

In response to a Members question, the Director Finance advised that the Councils contribution was £2,800 and based on the size of an authority. There would be a small amount returned to the unallocated balance.

The Leader advised that the LEP was ending in April 2024 and all assets were held by Somerset Council and would be distributed amongst the top tier authorities

RECOMMENDED that Council approve the service of a notice of withdrawal on the constituent authorities and the Heart of the South West Joint Committee effective from 31 December 2023.

112

MEMBERS' ALLOWANCES 2024/25

The Executive received the report on the Council's Independent Remuneration Panel report relating to Members' Allowances for the period 2024/25 and noted that Derek Phillips, as the Chair of the Independent Remuneration Panel had given his apologies, but would be attending Full Council on 12 December.

The Council's 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.

The Panel had met in October 2023, to discuss the level of Members' Allowances for the period 2024/25, and had received survey results and interviews from Members and Group Leaders relating to the level of remuneration and work being carried out by Members.

The Panel had recommended an increase of 4%, based on a median percentage increase, which was in line with the staff payment award as the benchmark for basic Councillor Allowance in 2024/25. This equated to a £261 increase in the level of Basic Allowance for each Member taking effect from 1 April 2024 and reflected the level of time which the average Councillor spent on constituency matters, casework, local community work and other Council work.

Councillor M. Mitchell, as an opposition group leader, spoke on this item and enquired how Exeter compared with other authorities.

During the discussion a Member advised that as a former Member of a remuneration panel in an authority, that comparisons with other authorities were undertaken but that the remuneration panel made its own decision and recommendations to the Council.

RECOMMENDED to Council that:-

- (1) the basic structure and principles of the current Members' Allowances scheme be retained for 2024/25;
- (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 continue to be linked and updated in line with the national pay awards for the previous year, (a lump sum payment of £1,925 was agreed for the period 2022/23 effective from April 2022). The Panel considered it appropriate to use the median percentage pay increase of 4.04% as a benchmark for the Basic Councillor Allowance;
- (4) a new Special Responsibility Allowance be offered to the Chair of the Scrutiny Programme Board in recognition of their coordination of the support role offered by the Board to the scrutiny function;
- (5) 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;
- (6) 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 Democratic Services Manager;

- (7) 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
- (8) the Travel and Subsistence allowances available for staff continue to apply to Exeter City Councillors, where appropriate.

113

OVERVIEW OF GENERAL FUND REVENUE BUDGET 2023/24 – QUARTER 2

The Executive received the report which advised Members of the overall financial position of the General Fund Revenue Budgets for the 2023/24 financial year after six months and sought approval of the additional expenditure required during the financial year.

Members were advised that there had been a significant underperformance in key income budgets, which is being offset by higher investment interest being received, leisure income and a high number of vacant posts and would need to be addressed when setting the budget for the next financial year. There was a £20,000 supplementary budget request for the debt recovery team to strengthen the debt recovery process.

Councillor Moore, as an opposition group leader, spoke on this item and enquired:-

- Whether the £276,940 overspend figure outlined in 8.3 of the report for the impact of Exeter City Living (ECL) being scaled back was for the year or to date?
- Whether the Leader would be asking the Council to spend the approved bus station demolition money to cover the ECL funding gap? and
- In regards to strengthening the debt collection and that the HRA team is undertaking some of the debt collection activities in relation to rent, did that mean that an additional amount was going to be required under the HRA to pay for that service there?

Councillor M. Mitchell, as an opposition group leader, spoke on this item and enquired on the pattern on the under-spend across departments was in relation to staffing and how much of the actual underspend across the Council related to having no staff and the money not being used? He also enquired in relation to these figures, whether there was a system in place for agency staff for the in-year targets?

Councillor Jobson, as an opposition group leader, spoke on this item and also enquired on the staffing recruitment patterns for leisure and sport and use of agency staff.

During the discussion the following points were made:

- not all of the under-spend was related to staffing and some related to the income, such as the Matford Centre. It was important to recognise that staff were working very hard and having to adopt a more commercial way of working; and

- it was important to recognise that the Council had an unrealistic income target for trade waste and good work had been done in generating some big new contracts.

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

- financial information would be made available to show a breakdown analysis of vacancies against the use of agency staff;
- there was a challenge in providing the analysis as some agency staff were required to ensure frontline services operated effectively, and a need to cover vacant posts;
- leisure and sport staffing was a question to the relevant Portfolio Holder at Scrutiny Committee;
- the £276,940 overspend figure was a projection for the year; and
- the Leader wouldn't be asking the Council to spend the approved bus station demolition money to cover the ECL funding gap.

RECOMMENDED that Council notes and approves (where applicable):-

- (1) the General Fund forecast financial position for the 2023 financial year;
- (2) the supplementary budgets and budget transfers as detailed in paragraph 8.11 and Appendix 3;
- (3) the outstanding Sundry Debt position as at September 2023;
- (4) the creditors payments performance; and
- (5) the One Exeter programme update.

114 **2023/24 GENERAL FUND CAPITAL MONITORING STATEMENT – QUARTER 2**

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

Members were advised that £28 million of the Capital Programme had been deferred, bringing it down to around £42 million, with £2.2 million spent to date. This demonstrated the challenges in tendering and getting acceptable tenders. There was one additional request for funding for replacing the roof of the phase three building at the Civic Centre. The replacement went out to tender but came back £140,000 pounds higher than estimated. Reference was also made to the Council signage improvement programme which had been completed.

Councillor Moore, as an opposition group leader, spoke on this item and enquired on funding requirements.

In response to Members questions the Director Finance advised that there were no unallocated capital resources available, so borrowing was required. This highlighted, the current state of the construction market, in which amounts increased during the time period of going out to tender.

RECOMMENDED that Council approves:-

- (1) the overall financial position for the 2023/24 Annual Capital Programme; and
- (2) the amendments and further funding requests to the Council's Annual Capital Programme for 2023/24.

The Executive received the report on the financial position of the HRA Revenue and Capital Budgets for the 2023/24 financial year after six months and the budgetary over/under-spend. The report highlighted areas of risk, where certain budgets had been identified as being vulnerable to factors beyond the control of the Council, and may result in potential deviations from budget.

Reference was made to a significant increase in repairs and maintenance spend, mainly due to an increase in voids, being offset by higher investment interest for the HRA, which is received from the General Fund for the balances on the major repairs reserve and the HRA working balance and capital receipts, both the General Fund and HRA were receiving about half a million pounds more than expected when we set the budget. The long-term position of the HRA remained unchanged with capital plans exceeding the resources available over the longer term.

Councillor Jobson, as an opposition group leader, spoke on this item and enquired about the voids which appeared to be on a downward trend?

Councillor Moore, as an opposition group leader, spoke on this item and enquired about general repairs which stated that 60% had been spent already, and whether tenants would be able to get their essential repairs done? She also enquired about adaptations to the budget, due to there being many property requests which have not had full evaluation. She requested this be taken as a priority because of the many elderly and disabled tenants and enquired how urgent work would be prioritised.

Councillor M. Mitchell, as an opposition group leader, spoke on this item and enquired on the general maintenance increase, how much of it was due to general inflation in contracting work and how much of it was due to additional workload?

A Member enquired on the Laings Houses refurbishments, which was originally budgeted for £14,000, but was now showing as £323,188, and wasn't showing in the 2023/24 Capital Programme. Could reassurance be given that spend was going to happen even though it's not in the capital programme?

In response to Councillor Moore's question in Minute No. 114, the Director Finance advised that the General Fund was providing a service to the HRA, which the HRA paid for. If a service transferred back to the HRA, there would normally be a net neutral position. However, the HRA had been paying less than the cost to the general fund over the last number of years, and there will be an additional cost to the HRA to take back the HRA rent.

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

- a response to the detailed questions about the repairs and maintenance, would be provided outside of the meeting; and
- In regards to the Laings Houses refurbishments, a budget had been approved for Laings in the Capital Programme. The report was seeking approval to spend some of the money in the current financial year. As part of this report, Members were approving the fact that they could spend the money in this financial year rather than 2024-25.

RECOMMENDED that Council notes and approves (where applicable):-

(1) the HRA forecast financial position for 2023/24 financial year; and

(2) the revision of the HRA Capital Programme to reflect the reported variations detailed in Appendix 4 of the report.

116

TREASURY MANAGEMENT 2023/24 HALF YEAR UPDATE

The Executive received the statutory report on the current Treasury Management performance for the 2023/24 financial year and the position regarding investments and borrowings at 30 September 2023.

The report set out the Surplus cash invested and borrowing status, based on actual external borrowing and a new section was included in the report, which detailed the projected position in respect of statutory repayments of debt on the General Fund.

Particular reference was made to the HRA having closer to £600,000 extra than originally budgeted for, owing to higher interest rates and higher surplus cash positions. There was a projected small variation in the repayment of debt provision, and there had been no external borrowing in the current year.

RECOMMENDED that Council note the Treasury Management report in respect of the first six months of the 2023/24 financial year.

117

REVIEW OF THE CORPORATE RISK REGISTER

The Executive received the revised Corporate Risk Register, which reported on the Council's risk management progress, which was linked to the Council's Strategic Priorities.

Members were advised that the Risk Register had been reviewed and updated by Directors in consultation with their Portfolio Holders. The request made by the Audit and Governance Committee for including a risk around Civil Emergencies had been considered by the Strategic Management Board (SMB) and they requested a paper be written to consider the Council's approach and whether there was a need for the risk to be included.

Councillor M. Mitchell, as an opposition group leader, spoke on this item and enquired on the mechanism of the report, as to whether necessary actions were proposed at the meeting or included in the report?

Councillor Moore, as an opposition group leader, spoke on this item and made the following points:-

- Was the Executive responsible for the risks in the corporate plan for presenting at Council for Members to vote on?
- How was the score determined for maintaining the Council property and assets?
- On the delivery of Net Zero, and given the Scrutiny Committee didn't hear much about the proposals to tackle Net Zero, how confident was the Executive that they were acting on the climate emergency for the city?
- Under, the Delivering Housing and Building Great Neighbourhoods, the Exeter Development Fund was listed as a mitigation. How was this a mitigation?

The Leader in responding to the question raised advised:-

- the mitigations were listed in the report, and showed the work that was required to be undertaken;

- there was a process in place for dealing with risks and the Portfolio Holders were reviewing their portfolios regularly;
- the remainder questions were requested to be, submitted outside of the meeting.

RESOLVED that a report on the Corporate Risk Register be received once a quarter to propose any necessary actions to help mitigate the risks for which it is responsible.

118

REVIEW OF THE ARTICLE 4 DIRECTION AND HOUSES IN MULTIPLE OCCUPATION SUPPLEMENTARY PLANNING DOCUMENT

The Executive received the report which summarised the results of a six-week public consultation undertaken by the Council during the summer period on a draft Article 4 Direction, to restrict permitted development rights of dwellings to Houses in Multiple Occupation (HMOs) with the related HMO Supplementary Planning Document (SPD). The report also explained how the consultation had supported the final versions of the Article 4 Direction and HMO SPD.

Particular reference was made to the policies, which would help to manage the concentration of HMOs and suspending committed development rights to enable HMOs to be created. The consultation process had received more than 300 responses, with the preferred option being to expand into areas where there were 20% or more HMO properties. The consultations also addressed some minor revisions to the accompanying SPD, which clarified the Council's position with regard to applications for HMOs in that Article 4 area.

Members were advised of the next set steps of the process, with a notification process and then implementation of the revised Article 4 direction set for February 2025.

Councillor M. Mitchell, as an opposition group leader, spoke on this item and considered that more could still be done, given the growth of the University, which was an issue in certain Wards, and may need to be revisited.

Councillor Jobson, as an opposition group leader, spoke on this item and enquired about the legal differences between bringing the SPD into effect and having to wait for the implementation of Article 4 Direction. What would the implications be on planning applications for HMOs given the revised Article 4 Direction wasn't yet in place?

Councillor Moore, as an opposition group leader, spoke on this item and welcomed the recognition on the imbalance in the local community threshold and enquired how a balanced community was defined? She further enquired on the basis of the calculation and whether that could be recorded with the documents and when the policy would be reviewed?

During the discussion the following points were made:

- many of the respondents to the consultation were from the Pennsylvania Ward who had welcomed the consultation and appreciated the work that had been undertaken by officers;
- the feedback favoured option 2, which was also the Council's preferred option and was a fair compromise between control and making provision for non-student HMOs;

- was there a formula in relation to the postcode and output areas where an exceedance of 20% HMOS were expected?
- the work undertaken was a large step forward for residents and a lot of hard work had been undertaken in a very short time; and
- the report was welcome with great outcomes.

The Portfolio Holder for City Development highlighted that the Council had listened to residents and thanked Members who raised the issues and engaged with the process. She also thanked the officers involved who have worked hard on bringing the matter forward.

The Leader requested that the questions raised by opposition Leaders be submitted, so a response could be provided.

RECOMMENDED that Council approves:-

- (1) the making of the Article 4 Direction (including the Article 4 area plan) attached at Appendix A of the report with non-immediate effect; and
- (2) the adoption of the Houses in Multiple Occupation Supplementary Planning Document attached at Appendix B of the report.

RESOLVED that delegated authority be granted to the Director of City Development, in consultation with the Council Leader and Portfolio Holder for City Development, to agree a change to the date of the confirmation of the Article 4 Direction attached at Appendix A of the report, if required.

119

CIL REVIEW: EXETER COMMUNITY INFRASTRUCTURE LEVY CHARGING SCHEDULE APPROVAL AND IMPLEMENTATION

The Executive received the report which explained the progress made following a review and examination of the Council's Community Infrastructure Levy (CIL) Charging Schedule, which identified the CIL rates to be charged on different types of development. The report sought approval of the draft revised CIL Charging Schedule for implementation from 1 January 2024.

Particular reference was made to the Council charging CIL for 10 years, with significant changes to the property market in that period, requiring a review to be undertaken. Following a consultation, it was proposed that the rates be increased for purpose built accommodation, creating a specific rate for co living and also introduce a zero rate for build to rent and flats.

Following a consultation of the draft proposed charging rates, the responses had been analysed and submitted for an independent examination which took place in July 2023. It was concluded that the draft charging schedule provided an appropriate basis for the collection of the CIL within Exeter.

Councillor Jobson, as an opposition group leader, spoke on this item and thanked the officers for the work undertaken and considered that Co-Living not being charged at the same rent rate as Purpose Built Student Accommodation (PBSA) was a missed opportunity. They were an almost identical feature but were being charged at the same rate as build to rent, which was an entirely different feature.

Councillor Moore, as an opposition group leader, spoke on this item and welcomed the discount to seasonal developers ending because they were building luxury developments which were top prices for students. She raised concerns about high

density Co-Living units for long term living and not providing needed infrastructure to the community.

Councillor M. Mitchell, as an opposition group leader, spoke on this item and highlighted that he attended the independent examination. His only concern was in ensuring the Council was making the right decision to prevent a repeat of the issues arising from previous PBSA developments.

During the discussion the following points were made:

- CIL would be charged for Co Living units, which, because has a large floor area, would be a significant;
- the recommendations were set by the independent inspector and examiner, who had looked at the proposals, which had been backed by experienced officers, to ensure the City Council was making the right decision; and
- development of Co-Living units would support professional workers of all ages and younger generations, and would provide a greater flexibility and opportunity to meet needs and providing more variety in the market.

The Leader thanked the officers for the report and for the work that had been put into enabling the inspector to approve the proposed recommendations.

RECOMMENDED that Council:-

- (1) note the conclusions of the Independent Examiner of the CIL Charging Schedule, as included in the Examiner's Report attached at Appendix A of the report, notably that the CIL Charging Schedule provides an appropriate basis for the collection of the levy in Exeter; and
- (2) approves the CIL Charging Schedule attached at Appendix B of the report to take effect on 1 January 2024.

120

LIVEABLE EXETER PLACEMAKING CHARTER AND PRE-APPLICATION CHARGES

The Executive received the report on the Liveable Exeter Placemaking Charter, which set out the City Council's commitment to work collaboratively with all those delivering developments in Exeter as part of the Exeter Design Quality Partnership and would help to frame the proposal to introduce pre-application charges.

Before adopting the Liveable Exeter Placemaking Charter, it was proposed that a six week consultation be undertaken with the key stakeholders who would be impacted by the implementation of pre-application charges, allowing them to provide feedback and insights to help shape the Charter.

Particular reference was made to the five elements in the charter and the independent design review process in place with Design West, which had been running for a year.

Members were referred to the pre application charges set out in the report and to the developer's forum which would enable more collaboration with the users of the planning service. The Charter was designed to raise the standard of proposals, in having better engagement, more collaboration, and ultimately better outcomes for the city that could be delivered through the planning process. A subsequent report would be presented to the Executive and Council for approval following the consultation

Councillor Moore, as an opposition group leader, spoke on this item and welcomed the principle of charging for pre application advice. She sought clarification on residents would be included in the consultation process, which she felt was essential in being open to residents and giving them confidence in the planning system.

Councillor M. Mitchell, as an opposition group leader, spoke on this item and enquired on whether the charges would vary by the size of a development and whether there was scaling built in? He also enquired if there was any indication of any anticipated income?

Councillor Jobson, as an opposition group leader, spoke on this item and supported the recommendations.

During the discussion the following points were made:

- the inclusion for measuring outcomes against key social, economic, and environmental performance was welcomed; and
- thanks were given to the officers involved in developing the Liveable Exeter Placemaking Charter, which would provide a better service for all residents and developers, in the city.

Leader requested that the questions raised in the discussion be sent in for a response to be provided.

RESOLVED that:-

- (1) the Liveable Exeter Placemaking Charter, including the draft pre-application charges, be approved as the basis for public consultation commencing on 04 December 2023;
- (2) delegated authority be granted to the Director of City Development, in consultation with the Portfolio Holder for City Development, to agree minor changes to the Liveable Exeter Placemaking Charter and draft pre-application charges before publication for consultation;
- (3) delegated authority be granted to the Director of City Development, in consultation with the Portfolio Holder for City Development, to agree a change to the consultation start date if required;
- (4) delegated authority be granted to the Director of City Development in consultation with the Portfolio Holder for City Development to make any necessary minor modifications to the Liveable Exeter Placemaking Charter and draft pre-application charges following public consultation; and
- (5) the outcome of the public consultation for the Liveable Exeter Placemaking Charter and the draft pre-application charges be reported back to the Executive for Council approval and that both documents be published on the City Council's website.

The Executive received the Exeter City Council and East Devon, Mid Devon and Teignbridge District Councils non-statutory Joint Strategy report, which set out key functional linkages across the area, how the development strategies in Local Plans fit together and identified key infrastructure themes.

The Joint Strategy sought approval for publication on the City Council website, and East Devon, Mid Devon and Teignbridge District Councils were also taking equivalent reports through their committee processes in late 2023.

Reference was made to how the document demonstrated the joined-up strategy across the area and the benefits of working together through shared coordinates and the duty to cooperate, which was a key part of producing the Exeter Plan and a means for supporting funding bids for the infrastructure.

Councillor Moore, as an opposition group leader, spoke on this item welcoming the report, but raised concerns about climate change relating to the MRF and district heating in system in Cranbrook, which were high in CO² emissions. She considered that there needed to be additional conclusions of measures for moving towards Net Zero.

Councillor M. Mitchell, as an opposition group leader asked whether the document was statutory.

Councillor Jobson, as an opposition group leader, spoke on this item and welcomed the report.

During the discussion the following points were made:

- the Shared Coordinates document was welcomed and an appropriate title;
- the report would help bring other Councils to progress their Net Zero aspirations;
- Exeter did not use landfill and the CO² emissions from the energy from waste plant was producing renewable energy; and
- the document supported the duty to cooperate and was not a formal planning policy document.

RESOLVED that the Joint Strategy (Appendix 1 of the report) be approved, subject to agreement by the other partner authorities, with delegated authority granted to the Director of City Development in consultation with the Leader of the Council and the Portfolio Holder for City Development, to make any amendments arising from the resolution of the other authorities provided that they do not materially alter the content of the document.

122

ANNUAL INFRASTRUCTURE FUNDING STATEMENT 2022 - 2023

The Executive received the report on the Annual Infrastructure Funding Statement for 2022 - 2023 which provided information relating to how funding was secured, received, committed and spent from the Community Infrastructure Levy (CIL) and Section 106 monies. The Government required that the Annual Infrastructure Funding Statement be published on an annual basis and include an Infrastructure List identifying a series of projects that could benefit from Community Infrastructure Funding in future.

Particular reference was made to:-

- the Council received approximately £3.1 million of CIL receipts, which highlighted the importance of the CIL within the city; and
- 146 units of affordable housing were secured through the Section 106 agreements.

Councillor Jobson, as an opposition group leader, spoke on this item and referred to the parks and play areas on the infrastructure list and that more priority should be given to these.

Councillor Moore, as an opposition group leader, spoke on this item and enquired if Ward Members could be involved in decisions on how Section 106 money was spent in their Ward. She also enquired about Mallison Bridge, in relation to the priorities for the cycling bridge over the canal.

Councillor M. Mitchell, as an opposition group leader, spoke on this item and enquired on how often the infrastructure list would be reviewed.

During the discussion a Member advised that spending couldn't take place until the money for the infrastructure was secured.

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

- there were processes in place for use of Section 106 monies; and
- the infrastructure list was not in any particular order;

RESOLVED that:-

- (1) the content of the Annual Infrastructure Statement for 2022 – 2023 be agreed; and
- (2) the Annual Infrastructure Funding Statement be published.

123

PUBLIC ACCESS TO IMAGES OF RAMM'S COLLECTIONS

The Executive received the report which concerned access to digital images of objects in the RAMM's collections. The museum, routinely photographed objects for use on its online collections database, which were not downloadable by the public. It also licenced images to members of the public and commercial entities for personal use or in websites and publications at rates set out in ECC's fees and charges document.

Some of the RAMM's collections were protected by copyright while others were in the public domain. The report was seeking approval to adopt an 'Open Access Strategy' in relation to digital copies of public domain works and other materials which are out-of-copyright.

Members were advised that there had been some wider legal debate relating to the interpretation of law and guidance relating to copyright involving the digital reproduction of public domain works. In recent years there had also been growing support for releasing images free of copyright.

Particular reference was made to:-

- Since autumn 2022, work had been undertaken with the University of Exeter Law School on developing an appropriate policy direction for use at the RAMM.
- A trial release of 60 medium resolution images, into public domain had been undertaken and had been used by 'Wikimedia Commons', to populate Wikipedia pages. The images released, had been used on 60 Wikipedia pages and viewed 4.7 million times.
- Medium resolution works would be available in the public domain for academics and high resolution images would be reserved for commercial activity and remain available for fees and charges.

Councillor M. Mitchell, as an opposition group leader, spoke on this item and enquired on how people would apply and how the RAMM would differentiate between personal and commercial use

Members welcomed the report and the work that had been undertaken with the University of Exeter

The Collections & Content Manager in response to a Members' question, advised that images used for posters or merchandising would be considered commercial use and that medium resolution images would not be used commercial use.

RECOMMENDED that Council approve:-

(1) the adoption of an 'Open Access Strategy' in relation to digital copies of public domain works and other materials which are out-of-copyright (see Appendix 1);

(2) authority being delegated to the Museums Manager (or subsequent equivalent post) and the Portfolio Holder for Culture and City Centre Strategy (or subsequent equivalent post) to determine the digitised public domain works and other out of copyright materials to be published online in accordance with the Open Access Strategy;

(3) the Museums Manager (or subsequent equivalent post) reporting on the progress of the Open Access Strategy on a quarterly basis to the Director for Culture, Leisure, Tourism and Communications (or subsequent equivalent post) and Portfolio Holder for Culture and City Centre Strategy (or subsequent equivalent post);

(4) allowing the free reuse of digitised public domain collections up to 300 dpi when printed at A5 ('medium resolution'), as detailed in the fees and charges schedule and retaining the high resolution versions for commercialisation and restricting reuse through contracts; and

(5) the adoption of the fees and charges schedule attached to the report to be reviewed on an annual basis.

124 **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 they involved the likely disclosure of exempt information as defined in paragraph's 3 and 4 of Part 1, Schedule 12A of the Act.

125 **APPENDICES 5 - 8 - DEVELOPMENT LAND DISPOSAL PROGRAMME**

The meeting was moved into Part 2, to discuss the commercially sensitive financial information contained in the report appendices.

The recommendations were agreed in Minute No.110.

126 **FUTURE INVESTMENT IN THE MATERIALS RECLAMATION FACILITY AND EXTON ROAD**

The Executive received the report on the future investment of the Materials Reclamation Facility (MRF) at Exton Road. In July 2021, the Council agreed to

support the procurement, financing, construction and operation of to upgrade the MRF, and since the decision was taken, there had been several impacts beyond the Council's control affecting that decision.

The report outlined the detailed work undertaken on the project to date, and outlined the predicted costs for upgrading the MRF operations, and sought approval for additional capital financing to meet the requirements of the 15 year service delivery plan.

Members and Non Executive Members discussed the report and, the Executive Members were in support of the recommendations.

RECOMMENDED that Council:-

(1) subject to the identification of sufficient capital receipts to finance the whole project, approve the addition of up to £3.8 million to the Council's Capital Programme for the purposes of delivering the MRF, which includes the amount previously agreed that would take the project to an agreed budget of £8 million; and

(2) grant delegated authority on the final decision to the Director Finance, in consultation with the Leader, relevant Portfolio Holder and Director of Net Zero and City Management.

(The meeting commenced at 5.30 pm and closed at 9.20 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 12 December 2023.