

## **Leader's Budget Speech 2025**

Lord Mayor, in setting this budget, it has been a challenge to maintain those statutory services we are obliged to deliver and those discretionary services that we wish to provide here in Exeter.

Of course, we would like to do more, but we have to be sensible with the resident's money and this means we have to take some difficult and tough decisions, to maintain our services.

Our Medium-Term Financial Plan identified the need to address a £3.5 million budget shortfall.

Extensive consultation has taken place to ensure that our identified priorities match those of our residents and communities as well as those who visit or work in Exeter.

We have listened and taken account of what residents told us was important to them.

This balanced budget has been achieved by focusing on priorities, service efficiencies and sustainable income streams.

It is being delivered against the backdrop of the government's White Paper on Devolution and Local Government Reorganisation.

Councillors of all parties voted unanimously to prepare a case for a unitary authority which will include the city of Exeter.

This Council and its partners have an important role to play in improving the lives and wellbeing of everyone in Exeter.

While local government reorganisation offers a huge opportunity for the city, we remain fully focused on the day job of delivering the best public services for residents, business, and visitors.

We have had to look very carefully at all the services we provide. Where we have identified the need for savings, impact assessments and full consultation will take place.

Lord Mayor, before I get into the details of the budget, I want to take a moment to thank our officers at the Council who continue to deliver for the residents who rely on them, and I want to briefly highlight some of our successes over the last 12 months.

We are continuing our construction programme to build new social housing in Exeter.

Officers successfully relocated 61 households from Rennes House in preparation for the redevelopment of the area.

All tenants moved to properties by agreement and were fully supported by our housing teams.

Some will move back to Whipton once we have completed the first block of Whipton Gardens later this year.

In October the first residents moved into Brook House, a development of 21 new Passivhaus flats constructed on the site of a former car park located off Hamlin Gardens.

Our award-winning retrofit programme is continuing to cut our carbon footprint and reduce energy bills for our tenants. By March we aim to have retrofitted 920 council houses.

A bid for £4.34 million of Warm Homes: Social Housing Fund Wave 3 has been submitted, supported by £5.6 million of co-funding.

If successful, it will deliver 140 property retrofit completions per year for the next three years.

Our Extra Care scheme Edwards Court continues to prove very popular and is at full capacity with a healthy waiting list.

We continue to work hard to assist those facing homelessness and rough sleeping.

The latest Rough Sleeper Count is expected to show a fall in the figures for Exeter. Although there is still much to do, this recorded reduction is great to see.

We continue to support residents struggling with the cost of living.

Our team delivered extra help to low-income households struggling with the high cost of essentials through the Household Support Funds 5 and 6 in 2024/2025:

- More than 5,000 awards have been made totalling more than £775,000
- 46% of awards made to low-income households including at least one child
- 47% of households contained a disabled person
- 923 low-income pensioners granted £200 to help with heating costs after losing Winter Fuel Payments
- More than 200 households identified as likely to be entitled to Pension Credit have received personalised advice and support to make a claim and access other support

I want to thank our Benefits Team for making sure help gets to those who need it most.

Lord Mayor, we recently published the Exeter Plan, our new Local Plan, following a major public consultation.

The plan addresses how we will achieve long-term sustainable growth in the city.

This has been a huge undertaking, and I'm delighted that it will soon be submitted to the Planning Inspectorate.

Outline permission has been approved for major new development and a new community at Water Lane.

This six-hectare brownfield former industrial site will be transformed into a vibrant, residential-led, mixed-use urban development featuring up to 980 new homes.

The plans include details of urban living with commercial, community, cultural and residential space and reflects Exeter's vision for a sustainable and inclusive future.

A significant sum in lieu of affordable housing at the Harlequins housing development will assist us in our own Council-build programme.

I shall be bringing forward further proposals on affordable housing in the near future.

A planning application has been submitted for a replacement Mallison Bridge at the Quay.

Working with Devon County Council, we look forward to the long-awaited completion of this project.

We have completed the Annual Infrastructure Funding Statement, ensuring transparent reporting on developer contributions, and implemented the Revised CIL Charging Schedule.

The team secured approximately £4.7 million through Community Infrastructure Levy (CIL) funding and received £1.06 million in Section 106 funding to support infrastructure delivery.

There's much to look forward to in the coming year, including the long-awaited start of construction on prominent sites including the Royal Clarence and Harlequins.

The continued roll out of food waste collection has helped us to increase our recycling rate.

Over the next year we will be seeking to roll out food waste to those who currently do not receive the service.

And will be progressing with the redevelopment of the waste depot, including the refit of the Materials Reclamation Facility.

We have set aside an initial budget of £8 million from CIL receipts for this work, which will have a significant impact on our recycling rates in the future.

Latest figures show 99.9% of our black and green bin collections are completed successfully.

Our Environmental Health team continues to ensure 99% of food premises are compliant with food hygiene by securing good ratings.

Reducing carbon emissions and the fight against climate change continues to be a key priority for the Council.

We have achieved Carbon Literate Organisational Bronze Status after training more than 250 staff in Carbon Literacy, including the Chief Executive, Strategic Directors, Heads of Service, councillors, and officers.

Our pioneering Water Lane Smart Grid and Storage Project was completed in 2024 and has received a series of industry commendations.

The City Council secured £100,000 from the Southwest Net Zero Hub to develop a case for new solar sites.

This will support the decarbonisation of Council-owned buildings, provide energy independence, and reduce energy bills.

Our parks and open spaces continue to be much-loved by our residents.

Exeter won Gold in the Southwest Britain in Bloom competition and Silver in the national competition.

Last year we secured the long-term future of Quay Cellars with significant repairs and stabilisation works to the historic retaining wall – a major feat of engineering.

Bromhams Farm Playing Field is being brought back to use with significant remedial works after being used by the Environment Agency during the flood relief scheme.

We continue to develop and regenerate play areas across the city for the benefit of local families, with Merrivale Park in St Thomas, Lakeside Avenue in Countess Wear and Mulberry Close in Whipton among those to benefit.

We also continue to maintain our splash parks in Heavitree and St Thomas which provide free family entertainment and are hugely popular during the summer months.

Work is ongoing to restore the canal to its former glory by removing old vessels from the waterway.

We continue to prioritise safety in the city centre.

The upgrade of the CCTV Control Centre was recently completed, and a new Community Safety Team for the city centre has been created in collaboration with our partners.

Improving the CCTV Control Room was a pledge that we made publicly a couple of years ago and I am so pleased that we have been able to deliver this.

I'm proud to say CCTV Control Room staff were recently awarded the Police and Crime Commissioner's Commendation for their excellent work in identifying and helping to apprehend a serious offender in the city centre.

We continue to invest heavily in our leisure service to improve health and wellbeing and quality of life for our residents.

There are currently more than 12,000 Exeter Leisure members regularly visiting our centres.

In the calendar year 2024 the number of visits across our leisure sites was 1,696,463.

The number of visits at St Sidwell's Point was 1,222,386. An increase in the swim school saw more than 2,500 young children learn to swim at SSP.

The number of visits at Riverside Leisure Centre was 372,303. And an increase in the swim school saw more than 2,000 young children learn to swim at Riverside.

Our pioneering GP Referral Scheme in partnership with the NHS is helping residents who have suffered heart attacks, cancer, and other conditions to regain their health and fitness.

A record number of tickets have been sold for the Women's Rugby World Cup 2025.

Exeter is a host city for with seven games at Sandy Park, including two quarter finals, and we are very much looking forward to this global event.

We have a team at the Council dedicated to making sure the tournament is a big success locally and that Exeter enjoys all the benefits it will bring.

They are dealing with things like transport and arrangements for the big games, as well as creating a lasting legacy for the city.

Exeter remains a thriving city of heritage and culture and a UNESCO City of Literature.

It was another successful year for the Royal Albert Memorial Museum with excellent figures for its exhibitions.

Events were held with partners across the city and beyond including the English Touring Opera, Exeter City of Literature, the Northcott Theatre and Dartmoor National Park.

As part of an ongoing collaboration with the NHS, Age UK, ECC social housing and care homes, RAMM delivered outreach sessions across the city.

The Corn Exchange continues to enjoy excellent audience numbers and recent works have further improved the experience for audiences and performers.

I'd particularly like to recommend that people attend the celebration of Northern Soul this summer – they won't be disappointed.

Our Historic Guildhall supported the Cathedral and Bishop offices with the Enthronement of the 72nd Bishop of Exeter.

We also celebrated the 80th Anniversary of D-Day and saw RAF Brize Norton exercise their Freedom of the City on Armed Forces Day.

We are proud of our links to the Armed Forces and the work that continues to support Exeter's Armed Forces Covenant.

Finally, a key priority is a well-run Council.

We are focused on delivering efficient and effective, value for money services that meet the needs of residents, businesses, visitors and other stakeholders.

Our recent Senior Leadership Restructure is now complete and has delivered a saving.

We will continue to improve the way we work and progress our plans to put the customer at the heart of everything.

The restructure will ensure we have a fit-for-purpose system and processes with empowered staff working in collaboration to deliver the best outcomes for residents.

We want our staff and members to feel valued, supported and equipped to achieve the best they can for residents and stakeholders, and we will work together to build a One Council ethos.

We will develop our staff to ensure they are highly motivated, value-driven, well-trained, and supported with agile working practices and technologies.

We will use customer insight to guide how our services are developed and delivered.

Modernised, cost effective and accessible customer-focused services will enable more people to self-serve when and how they want.

We will also maintain a face-to-face service for those who need it.

Transparency and openness in decision-making are essential and we will actively communicate and engage with our residents and communities to seek their views.

We have carried out widespread consultation and engagement with residents recently and will continue to do so in line with our Consultation Charter.

Equality and diversity are a top priority to promote inclusion in all that we do. This is an area that we will not row back from.

Lord Mayor, thank you for allowing me to highlight some of the things we do so well here in Exeter.

I'd now like to move on to the budget itself.

£3.5 million is a lot of money to find and I want to thank the work of our officers in preparing this budget. I also want to thank the opposition for taking the time to prepare their own budgets.

Again, I want to stress that this work has been framed by the consultations we have carried out with residents.

The areas of budget reductions have been set out and I will now explain what that means.

There are some relatively straightforward proposals which we are putting forward:

- We will reduce our assumption for the annual pay award by 1%
- Confirm Business Rates Pool membership for another year
- Stop budgeting for pension costs of individuals not in the pension scheme
- We will reduce duplication across our Culture portfolio now that it has been brought together under one Head of Service
- We will begin a project to improve the digitalisation of our services, to deliver efficiency savings.

Together, these proposals total £1.8 million.

The proposed adjustment to the Leisure budget is £586,000.

As I highlighted earlier, our leisure service has a thriving membership with fantastic facilities, and we continue to invest in it heavily.

But despite extensive efforts to drive income and footfall at Northbrook Swimming Pool since leisure services were brought back in house in 2020, low usage and revenue figures have seen little improvement.

Combined with a projected increase in repairs and on-going costs to maintain the building, the future management of the building by Exeter City Council has become unsustainable.

It is very disappointing that it has come to this. Of course we would like to keep funding this facility. But we must bear in mind that we have two exceptional swimming pools in very close proximity.

I want to stress that any changes to the current service will be subject to full consultation and impact assessment.

At Arena we are looking to work with partners in running this facility.

Athletics will of course still be there, and the community use will still be there.

These partnerships have worked very well elsewhere in the city, like at Exwick Playing Fields.

Partnerships help us reduce our costs while maintaining and improving facilities for the public.

Again, I want to stress that any significant changes to the current service provision would be subject to full consultation and impact assessment.

I want to briefly mention Citizens Advice Exeter. All of us here at the council, would wish to record our thanks and appreciation for the work of this organisation.

We have always had a good relationship with the CAE here at Exeter.

We have previously made a difficult decision on the ceasing of direct grant funding, but there are other ways in which we have and continue to assist with their work.

I've had meetings with CAE and all wish to reset our relationship going forward and discuss the best ways of working together.

I'm pleased to say that we have been able to reach a new rental agreement which will enable them to continue the very important work that they do.

We are budgeting for an adjustment to car park income of £627,500.

The Council has not increased car parking charges for two years, in recognition of the cost of living.

As you will see at the next Executive, the proposed increase for this year, that we consulted on late last year, will not go ahead.

But there's no escaping from the fact that revenue from car parking generates an important income for the Council to help run services.

After freezing charges for two years, the total car parking budget will increase by 7% from April.

To put that figure in perspective, the charge for a two hour stay in a central car park would increase by 32p.

We have studied the feedback from residents on the budget consultation on this subject.

Of course, when asked the question should we put car parking charges up, the answer comes back as no. But we still have to make these tough choices.

We are also going to look to modify the transaction charges for the Ringgo App, explore commercial activity options in the car parks and move Howell Road and Triangle to Central Zone.

Again, there will be a consultation before any changes to car parks are implemented.

It's worth noting that the Council has committed £2.5 million of capital resources to a number of car park upgrade projects for 2025/26, including Guildhall, John Lewis and Princesshay 2.

We are not proposing to levy any charges on the Arena site or any of our Council leisure sites other than Riverside.

From 2026 there is no budget for Net Zero. That's why we intend to use the former bus station site as a temporary car park to generate income, which will go directly towards creating a Net Zero budget.

We think this is a good use of the money that will be generated in the short term while the car park is there.

It is still our intention to work with partners to bring forward a 'meanwhile use' before the wider site is redeveloped, because we know this will take time.

We didn't think the time was right for emissions charges in our car parks – it risks hitting those who cannot afford modern, more efficient vehicles.

We are one of the few Councils that do not charge blue badge holders to use our car parks, unlike East Devon, Mid Devon and Teignbridge.

We do not intend to change this now, but it may be something we have to look at going forward.

There are a number of other proposals in order to balance the budget.

The Net Zero team are qualified Carbon Literacy Trainers, and we will seek to offer this training to interested organisations in the region.

We will also seek to increase income across our Houses of Multiple Occupation Licensing, our Marketing and Tourism offer and our Livestock Centre facility.

We will continue our efforts to reduce the number of private leases used to provide temporary accommodation in favour of more cost-effective methods.

We will continue to increase the amount of time our Engineering team work on large capital projects and to use addition income from the Guildhall Shopping Centre as and when we borrow for further investment in it.

We are also proposing to stop taking cash and cheques directly at our premises.

However, we are mindful of the need to protect those who rely on this method of payment in their daily lives.

Already people can pay their Council Tax, Business Rates, Housing Rent and debtor bills at the Post Office or local PayPoint convenience store.

We will also introduce the ability for people to pay for car parking via PayPoint, so that those who wish to pay cash to park will be able to do so.

We will of course factor in the time required to travel to the nearest store in order to pay.

Again, this proposal will be subject to consultation before implementation.

We have listened to the consultation views, and I am proposing that we will no longer clean private land without a contribution from the landowner saving around £30,000.

Added together, these proposals total £3.505 million and deliver a balanced budget.

We are proposing to increase our minimum General Fund reserves to £3.1 million.

It could be argued that at a time like this, we should use general reserves and papers later in the agenda detail the reasons, the areas and amount that the 151 officer states are appropriate.

Lord mayor, we intend to take this advice.

However, the MTFP plans to use General fund balances in future years and reducing these now merely pushes the requirement to save further amounts to next year.

It also reduces the safety net in place to address the risk of some savings failing to materialise or taking slightly longer than anticipated.

Suggestions to use Extended Producer Responsibility Tax is also legitimate.

However, the budget we have proposed offsets the NIC increase but leaves something in reserve as we do not yet know how much we will receive going forward.

Using it all now risks us needing to find further savings at short notice for next year. Doing what we are proposing means that if we receive what is expected, then we will have resources to put towards the £3m required next year.

There continues to be economic uncertainties and global volatility that makes this essential.

There are some earmarked reserves which we are planning to repurpose.



In the budget monitoring papers later on the agenda there is a proposal to transfer the reserve earmarked for the Lease Guarantee to the Governance Review Reserve to create funding for a budget for local government reorganisation and Exeter's unitary bid.

Additionally, we will propose to transfer the funding set aside for the Compulsory Purchase Order to this Governance Reserve at year end.

Lord Mayor, I want to stress that despite all the challenges we face, Exeter continues to set one of the lowest Council Tax rates in the country.

The proposed band D council tax for 2025/26 is £185.76, which means that our share of the council tax will increase by 2.99% per cent or £5.39 a year – around 10p a week.

In setting this budget tonight, the aggregate requirements of Exeter City Council, Devon County Council, Office of the Police and Crime Commissioner Devon and Cornwall, and the Devon and Somerset Fire Authority will result in a Council Tax for the City of Exeter for 2025/26 of:

£2,379.90 per Band D property, an overall increase of  
£109.68 or 4.83%.

The breakdown of this charge is:

Devon County Council - £1,801.26

Office of the Police and Crime Commissioner - £288.20

**Exeter City Council - £185.76**

Devon and Somerset Fire Authority - £104.68

This equals a total of £2,379.90 of which the Exeter City Council share is 7.8% of that bill.

I'll repeat, our share of the Council Tax is increasing by around 10p a week.

I think that it is pretty good value for a city which does so much, as I highlighted earlier, and we will continue to ensure that we provide the very best services we can for the benefit of everyone in Exeter.

While maintaining a responsible prudent approach to spending and ensuring that savings are realistic and achievable.

Lord Mayor, I move.