

EAST DEVON DISTRICT COUNCIL

Minutes of the meeting of Exmouth Queen's Drive Delivery Group held online via the Zoom app on 25 January 2021

Attendance list at end of document

The meeting started at 10.00 am and ended at 1.30 pm

15 Welcome from the Chair

The Chair welcomed those participating and those watching via the live stream.

16 Public speaking

There were three members of the public registered to speak.

Catherine Causley encouraged the expansion of the free to use parts of the Queen's Drive offering, particularly those for children, and wished to see enhancements such as a splash pool, water fountain and sprinklers. However, the seafront should not be developed at the expense of the town centre and development should not be in isolation. The beach and the town are five minutes apart and improved signage would assist visitors. Green travel should be included at the start of any development and not added on later, with consideration given as to what active travel in the next 10 to 30 years would look like. There was also a need to provide good facilities for visitors with campervans and motorhomes, which could potentially generate income eg. access to fresh water.

Roy Pryke spoke on behalf the Chairman of the Exmouth Community Association and welcomed the determination of the Group to make early decisions on the temporary uses of the Queen's Drive Space. It was time to build on the success of the development of Side Shore and maintain momentum through bold decision making and strategic planning. Regarding consultation with the public, the success of the referendum on the Exmouth Neighbourhood Plan was based on going beyond the national consultation procedures and the Community Association recommended this as an approach. The Community Association was ready to engage further with the Delivery Group to assist with the development of a strategic plan for the benefit of residents and visitors.

Daphne Currier advised that development should take into account the changing use of the seafront, particularly the increased popularity of kite surfing which, at times, resulted in many lines laid out in parallel on the beach. There was broad support for the water sports centre but families also needed other space. The family fun zone at the back of the Queen's Drive Space could be renamed as The Secret Garden with ponds reinstated and food outlets retained. The ponds area could be returned to a peddalo pond which could generate income. A managed barbecue area could also be provided as the space was sheltered from the wind.

The Chair thanked the public speakers for their contributions which were all noted.

17 Minutes of the previous meeting held on 17 November 2020

In response to a question arising from the previous meeting, the Chair confirmed that a proposal would be submitted to the Scrutiny Committee for its meeting on 4 March 2021 [Minute 12 - Review of chronology of activities - refers].

It was also confirmed that minutes of the Delivery Group meetings are available on the EDDC website, and that this would be checked for visibility to the public.

The minutes of the previous meeting held on 17 November 2020 were agreed as a correct record.

18 **Declarations of interest**

Minute 20. LED report on the operation of Ocean.

Councillor Olly Davey, Personal, Member played in a band which had performed on the top floor of the Ocean building.

Minute 21. Queen's Drive temporary uses.

Councillor Andrew Colman, Personal, Member is an Exmouth Town Councillor.

Minute 21. Queen's Drive temporary uses.

Councillor Aurora Bailey, Personal, Member is an Exmouth Town Councillor.

Minute 21. Queen's Drive temporary uses.

Councillor Chris Wright, Personal, Member was a former tenant of the Queen's Drive Redevelopment site.

Minute 21. Queen's Drive temporary uses.

Councillor Joe Whibley, Personal, Member is an Exmouth Town Councillor.

Minute 21. Queen's Drive temporary uses.

Councillor Nick Hookway, Personal, Member was involved in the Save Exmouth Seafront campaign prior to the election in 2019, but is no longer involved and confirmed that he is not biased or pre-determined.

Minute 21. Queen's Drive temporary uses.

Councillor Olly Davey, Personal, Member is an Exmouth Town Councillor.

Minute 21. Queen's Drive temporary uses.

Councillor Steve Gazzard, Personal, Member is an Exmouth Town Councillor.

19 **Terms of Reference**

Tim Child advised that Terms of Reference previously agreed by Cabinet had been presented to the Delivery Group at its first meeting on 15 October 2020. It was resolved that a full review of the Terms of Reference be undertaken at the next meeting of the Group. Terms of Reference formed an agenda item at the next Delivery Group meeting on 17 November 2020 with a recommendation that Cabinet agrees to include the development and management of the Ocean building in the Terms of Reference for the Exmouth Queen's Drive Delivery Group. Cabinet agreed this recommendation at its meeting on 6 January 2021.

It was noted that the Clerk to Exmouth Town Council was included in the list of support officers in the Terms of Reference and would attend meetings of the Delivery Group.

The revised Terms of Reference as agreed by Cabinet on 6 January 2021 were noted.

20 **LED report on the operation of Ocean**

In response to a question at the previous meeting, Peter Gilpin, CEO of LED Community Leisure provided a summary of the relationship between LED and the Ocean family entertainment centre on Queen's Drive. The following points were highlighted:

- LED is in its sixth year of a 25 year lease of the Ocean building and is a commercial tenant of East Devon District Council
- The lease of the Ocean building is entirely separate from LED's leisure centre operations for EDDC and is therefore accounted for separately
- None of the management fee paid to LED for the management of EDDC's public leisure services is used to support Ocean
- Prior to the first Covid-19 lockdown in March 2020, Ocean was generating an operating surplus
- Ocean was closed for three months due to the first lockdown and EDDC granted a rent deferral for this period, to be repaid in 2021 with no further deferrals being either requested or granted for subsequent lockdowns
- LED is a Community Benefit Society registered with the Financial Conduct Authority (FCA)
- Its subsidiary trading company, LED Enterprises Ltd deals with the non-charitable income which must be accounted for separately. This income is derived from soft play, events and the sale of food and beverages at Ocean and The Pavilion, with any surplus transferred to the parent Trust
- As a limited company, LED Enterprises Ltd is registered at Companies House and submits financial accounts which show the commercial, non-charitable activities
- Figures for LED Enterprises Ltd profit before tax for the last 3 years were set out in Peter Gilpin's accompanying report
- Profit before tax for 2020 would show a loss due to four months of closure due to Covid-19 and it is expected that this will be recouped when trading returns to pre-Covid-19 levels
- Group accounts are produced by LED Leisure Management Ltd and show a total figure for income and expenditure from both the sports and leisure activities and the non-charitable income from the trading subsidiary LED Enterprises Ltd
- Ocean has a turnover of £2 million per annum, employs approximately 75 local people and purchases mostly from local suppliers, which together generates an estimated £1.5 million for the local economy.

The Chair thanked Peter Gilpin for LED's work during the difficult circumstances of the pandemic.

During discussion, the following points were noted:

- It is not possible to show financial accounts for Ocean as the income has to be split due to the reporting requirements for the FCA and Companies House, as outlined in the report
- Members would welcome clarity regarding the accounts for Ocean and The Pavilion as separate entities
- Accounts for The Pavilion are provided to EDDC under LED's leisure management contract
- Peter Gilpin advised that the top floor of the Ocean building was viable and busy during more normal times, with bookings for weddings and conferences. As this is a commercial operation, concern was expressed that the Delivery Group does not seek to micro-manage Ocean. EDDC could assist with the promotion of the top floor space at Ocean

- Simon Davey advised that EDDC receives detailed management accounts from LED and that the EDDC subsidy for leisure and culture was transparent. There could be a concern over the potential for cross allocation of staff overheads, but information relating to accounts for Ocean and The Pavilion was clear and could be made available to members on a confidential basis
- Concern was expressed that there should be no overlap between the work of the Queen's Drive Delivery Group and the LED Monitoring Forum

The Chair thanked Peter Gilpin for his report which was noted.

21 **Queen's Drive temporary uses**

Tim Child introduced his report on temporary uses. This followed on from the meeting held on 17 November 2020 and the recommendations to not proceed with the temporary car park, to provide improved signage to other car parks and for temporary uses for 2021 to be researched and reported back to the Delivery Group, in consultation with Cllr Nick Hookway and Cllr Chris Wright.

A site meeting had taken place with the Chair of the Delivery Group and Cllrs Hookway and Wright at which the temporary car park site and the temporary uses going forward were discussed. It was agreed to refer to the car park site as the 'former' car park.

The possible temporary uses were set out in the report with a matrix of the advantages and disadvantages of each. Following the site meeting, the preferred option was for the former car park to be laid to grass and to be used for low key fitness offerings, which would benefit all age groups and complement the Council's health and well-being agenda, provide a visitor destination and would not compete with other local businesses. This use would be managed by the EDDC Events Team.

A change of use for the former car park site would require both a decision by Cabinet and planning permission with the aim of temporary uses being up and running by July 2021 due to timing constraints in the decision making process. The site would be marketed in the interim. However, a decision by Members would be required as to whether to proceed with seeding the area to be laid to grass as this could not be left as late as June when it was anticipated that the necessary permissions for change of use would be received.

Regarding temporary uses for the main site, it was proposed to retain the same food and beverage traders as in the previous year and also to consider whether the charging should be reviewed. The report also addressed events on the space at the rear of the site and proposed that communities and other organisations, including commercial operations, could deliver events there. With regard to the bar, it was proposed to renew the existing agreement for the 2021 season.

The report also considered the capital costs for remedial works to the site which were estimated at between £15,000 to £35,000 depending on the extent. Tim Child drew Members' attention to the financial implications identified at the start of his report, including the loss of income from the former car park site plus the capital costs of grassing that site and maintenance costs for Streetscene for the main Queen's Drive Space. There was a potential £73,000 capital cost and a £19,000 loss of revenue as a worst case scenario which should be borne in mind when considering the recommendations in the report.

Angela Gordon Lennox introduced her role as Events Officer to facilitate events across East Devon in line with the Council's health and well-being agenda, to support local businesses and encourage visitors to the area. Members were advised that a large proportion of enquiries received by the Events Team related to health activities. The Team were well-placed to manage the marketing and bookings for Queen's Drive Space in line with established procedures for events across the district.

The Chair thanked Angela Gordon Lennox for her contribution and Tim Child for his report. It was noted that any plans for the summer could be affected by the Covid-19 pandemic, and that there was a financial risk of laying the former car park to grass before planning permission was granted for the change of use.

Discussion of the report included the following points:

- It was premature to commit to expenditure of approximately £30,000-£40,000 and the associated loss of income from the former car park
- The former car park site was not needed as other car parks in Exmouth were under used
- Investing in green space was a statement of intent on the part of the Council and in line with the green agenda
- The optimum time for laying the former car park to grass was in early spring
- Regarding improved signage to other car parks, this had been agreed by Cabinet and would be actioned by the relevant Officer. It was suggested that improvements to signage could be included within the East Devon app for visitors using smartphones and agreed that digital means of promoting alternative car parking should be considered
- Devon County Council, as the highways authority, should be requested to improve highways signage to alternative car parks with a request to the Exmouth County Councillors for locality funding towards the cost

Cllr Hayward proposed that recommendations A and B in the report be agreed, with the additional recommendation that a request be made to Devon County Council to improve highways signage to alternative car parks and that locality funding towards the cost of the signage be requested from Exmouth County Councillors. This was seconded by Cllr Gazzard and was agreed.

Following discussion on the timing of laying the former car park site to grass, Cllr Hayward further proposed that the grass seeding should proceed. This was seconded by Cllr Taylor.

It was queried whether the grass seeding of the former car park site, as opposed to the change of use, would require planning permission. If the above proposal to recommend to Cabinet to proceed with grass seeding prior to the grant of planning permission was agreed, and if the grass seeding itself did require planning consent, this would result in a retrospective planning application. Members of the Delivery Group who were also members of the Planning Committee – Cllr Whibley, Cllr Gazzard and Cllr Davey – abstained from the vote on the grass seeding. It was agreed to recommend to Cabinet that the grass seeding should proceed prior to the grant of planning permission for the change of use.

RECOMMENDATIONS TO CABINET:

- A. That a temporary planning application be submitted for up to 2 years on the former car park site to enable the area to be grassed (seed or turf) and used for fitness uses as per the report.
- B. That the temporary use on the main Queen's Drive Space for the 2021 season progress as detailed in the report (paragraphs 3.1-3.8) in respect of arrangements for the bar, the traders, events and replacement of the seating areas.
- C. That the former car park site be laid to grass prior to planning permission for change of use being granted.
- D. That a request be made to Devon County Council to improve highways signage to alternative car parks and that locality funding towards the cost of the signage be requested from Exmouth County Councillors.

22 **Queen's Drive resourcing**

Tim Child introduced his report which advised that it was anticipated that further engagement would be needed before decisions could be made on the best uses for the site and the resulting work then needed to deliver the scheme. As this had the potential to be resource hungry, the report addressed proposals for resourcing the Queen's Drive project over the next two years and recommended that two posts be appointed on fixed term contracts to focus on Place & Prosperity interventions in Exmouth generally, this to include Queen's Drive. The two existing project officers would be able to continue in their District wide roles and other projects would not be adversely affected by having to refocus on Queen's Drive.

Simon Davey – Strategic Lead for Finance – advised the Group on the funds available to create the proposed two new posts which would be through the Council's Business Rates Pilot Reserve to the sum of up to £200,000. This reserve was created from additional business rate income obtained when the Council was successful in a bid to Government (Devon Business Rate Pool) for a year trial of operating a 100% business rate retention scheme. The additional funds obtained were placed in a reserve with the purpose defined by Council as to encourage and protect the economy of the District. There remained at this stage an uncommitted balance on the Reserve of £1.584m.

Discussion on the report included the following points:

- There was concern that new Officers appointed under these proposals would not be in post until the summer and would then need to familiarise themselves with the projects. Officers who are already familiar with the projects were in place and progress could be made more quickly
- Additional resources were needed to focus on the task and move the project forward and to completion
- Exmouth was one of the leading destinations in East Devon and likely to be popular for 'staycations' as a result of the Covid-19 pandemic
- Resources were needed not just for the Queen's Drive project, but also for the regeneration and promotion of Exmouth as a whole

- Councils should be investing in the future and the proposals signal an important investment in Exmouth
- It was proposed in the report that the two new Officers would focus 50% of their time on Queen's Drive with the remaining time on projects in the wider Exmouth town and it was vital to consider Exmouth as a whole
- Resources were needed to implement the recommendations of the Delivery Group
- Town centres were experiencing difficulties across the whole country and redevelopment would challenge any local authority

Cllr Hayward proposed that the recommendation as per the report be accepted. This was seconded by Cllr Hookway and was agreed.

RECOMMENDATION TO CABINET:

That up to £200,000 be made available from the Business Rates Pilot Reserve for a Development Surveyor and an Engagement / Project Officer for a term of 2 years, dedicated to moving forward a suite of place & prosperity based projects in Exmouth and to include Queen's Drive.

23 **Additional item for consideration**

Tim Child raised an additional item for consideration which was introduced by Angela Gordon Lennox.

Two propositions had been received for temporary uses for the wider Queen's Drive area; an existing Exmouth business had requested a semi-permanent and totally removable seafront bar, and an organisation had requested space for a bespoke fitness pod. A location that was not currently being used on Queen's Drive had been identified for the fitness pod. The Delivery Group was asked whether Officers should follow up the requests through the usual procedures or whether the requests should be considered by the Delivery Group before being progressed. The fitness pod was time critical in terms of needing a decision on how best to proceed. The proposed temporary seafront bar would require guidance from Members as to how Officers should proceed.

Discussion included the following points:

- Concern was raised that such proposals might be progressed by Officers without consultation with the Delivery Group
- There was also concern that both proposals would be in direct competition with LED and that a procurement process should be followed so that any opportunities would be properly examined and procured to provide a better return to the Council
- There should be a level playing field for considering such proposals and for enabling businesses and organisations to apply
- There should be a cohesive plan of how such requests and offerings fit together rather than considering items on an ad hoc basis
- Such requests should be dealt with under normal EDDC procedures for events such as planning and licensing
- Seaside culture had always included pop-up events of this nature and this was part of the wider vision

Tim Child referred the Delivery Group to the Terms of Reference which were to progress the successful delivery of Exmouth Queen's Drive Redevelopment of phase 3, including the Ocean building, but did not relate to everything else along the seafront. Officers had

brought the two propositions to the Delivery Group meeting for information and visibility in terms of the wider discussions. The distinction was made between an event which would be dealt with through the usual EDDC events procedures and a more permanent installation which could impact on the vision for phase three of the Queen's Drive Redevelopment and so would be referred to the Delivery Group for consideration.

There was general agreement that events of a temporary nature should not be micro-managed by the Delivery Group, but should be dealt with by way of the usual EDDC events procedures. It was agreed any such arrangements should be subject to planning regulations and approval and for a single season only (2021).

The Chair thanked everyone involved in the meeting for their contributions.

Attendance List

Councillors present:

P Arnott (Chair)
P Hayward (Vice-Chair)
M Armstrong
O Davey
N Hookway
A Colman
D Ledger
B Taylor
J Whibley
C Wright
S Gazzard (Exmouth Town Council)
A Bailey (Exmouth Town Council)

Councillors also present (for some or all the meeting)

M Chapman
P Faithfull
Gilpin
B Ingham
G Jung
K McLauchlan
A Moulding
G Pratt
P Skinner
E Wragg

Officers in attendance:

Tim Child, Service Lead - Place, Assets & Commercialisation
Simon Davey, Strategic Lead Finance
Anita Williams, Principal Solicitor (and Deputy Monitoring Officer)
Angela Gordon Lennox - Events Officer
Susan Howl, Democratic Services Manager
Sarah Jenkins, Democratic Services Officer

Also in attendance:

Peter Gilpin – CEO LED
Lisa Bowman – Town Clerk, Exmouth Town Council

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Exmouth Queen's Drive Delivery Group 25 January 2021

Councillor apologies:

None

Chair

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Date: