

AGENDA

Executive

Monday, 19 December 2016 AT 16:00
In the Flensburg Room, Civic Centre, Carlisle, CA3 8QG

Apologies for Absence

To receive apologies for absence.

Declarations of Interest

Members are invited to declare any disclosable pecuniary interests, other registrable interests and any interests, relating to any item on the agenda at this stage.

Public and Press

To agree that the items of business within Part A of the agenda should be dealt with in public and that the items of business within Part B of the agenda should be dealt with in private.

PART A

To be considered when the Public and Press are present

A.1 BUDGET PROCESS 2017/18

(Key Decision - KD.21/16)

- (a) Budget Update - Revenue Estimates 2017/18 - 2021/22** **9 - 28**
- Pursuant to Minute EX.98/16, the Chief Finance Officer to submit a report providing an update to Report RD.35/16 together with a summary of the Council's revised revenue base estimates for 2016/17, base estimates for 2017/18 and forecasts up to 2021/22 for illustrative purposes. Potential new spending pressures and savings are also considered; and an update on the key budget considerations provided.
(Copy Report RD.40/16 herewith)
- (b) Revised Capital Programme 2016/17 and Provisional Capital Programme 2017/18 to 2021/22** **29 - 38**
- Pursuant to Minute EX.103/16, the Chief Finance Officer to submit a report providing an update to Report RD.36/16 and setting out the proposed capital programme for 2017/18 to 2021/22 in the light of new capital proposals identified; and summarising the estimated capital resources available to fund the programme.
(Copy Report RD.41/16 herewith)
- (c) Draft Treasury Management Strategy Statement, Investment Strategy and Minimum Revenue Provision Strategy 2017/18** **39 - 66**
- Pursuant to Minute EX.105/16, the Chief Finance Officer to submit a report setting out the Council's draft Treasury Management Strategy Statement for 2017/18 in accordance with the CIPFA Code of Practice on Treasury Management. Also incorporated are the draft Investment Strategy; draft Minimum Revenue Provision Strategy for 2017/18; and Prudential Indicators as required within the Prudential Code for Capital Finance in Local Authorities.
(Copy Report RD.42/16)
- (d) Charges Reviews** **67 - 74**
- Pursuant to Minutes EX.99/16, EX.100/16, EX.101/16 and EX.102/16, the Executive will consider feedback from Overview and Scrutiny Panels on the Charges Reviews and make decisions on the level of charges to be applied as not yet resolved for Community Services; Economic Development; Governance and Regulatory Services; and Licensing.

(Copy Reports previously submitted to 21 November 2016
Executive meeting - SD.27/16, ED.45/16, GD.62/16 and GD.57/16)

(Addendum to Report SD.27/16 to follow; Copy Overview and
Scrutiny Panel Minute Excerpts herewith / to follow)

Background Papers - various financial reports being considered as
part of the Budget process are available on the Council's website -
<http://cmis.carlisle.gov.uk/cmis/>

Members and Officers are asked to bring their copy of the bound
Budget Book issued under cover of a letter from the Corporate
Director of Governance and Regulatory Services dated 11
November 2016 to this meeting

A.2 EXECUTIVE DRAFT BUDGET PROPOSALS FOR CONSULTATION

(Key Decision - KD.21/16)

The Executive to table the draft Budget for consultation.

A.3 TULLIE HOUSE BUSINESS PLAN 2017/18

75 - 124

(Key Decision - KD.20/16)

Pursuant to Minute EX.108/16, the Deputy Chief Executive to
submit a report concerning the proposed Tullie House Museum
and Art Gallery Trust Business Plan. The matter was considered
by the Community Overview and Scrutiny Panel on 24 November
2016.

(Copy Report SD.33/16 and Minute Excerpt herewith)

A.4 NORTH WEST COAST CONNECTIONS PROJECT - S42 125 - 180
CONSULTATION RESPONSE

(Key Decision - KD.15/16)

The Corporate Director of Economic Development to submit a report seeking an Executive response to the National Grid's formal consultation on the North West Coast Connections Project. The Environment and Economy Overview and Scrutiny Panel considered the matter on 1 December 2016.

(Copy Report ED.43/16 herewith / Minute Excerpt to follow)

Background Papers - NWCC National Grid Consultation information at www.northwestcoastconnections.com

A.5 REVIEW OF POLLING ARRANGEMENTS 181 - 194

(Key Decision - KD.24/16)

The Corporate Director of Governance and Regulatory Services to report the results of the annual review of polling arrangements and make recommendations for changes to existing arrangements as appropriate.

(Copy Report GD.70/16 herewith)

A.6 SCHEME OF HOUSING ASSISTANCE 195 - 218

(Key Decision - KD.28/16)

Pursuant to Minute EX.111/16, the Corporate Director of Governance and Regulatory Services to submit a report seeking approval of the proposed revised Housing Renewal Assistance Policy 2017. The Community Overview and Scrutiny Panel considered the matter on 24 November 2016.

(Copy Report GD.73/16 and Minute Excerpt herewith)

A.7 NOTICE OF EXECUTIVE KEY DECISIONS 219 - 230

(Non Key Decision)

The Notice of Executive Key Decisions, published on 18 November 2016, is submitted for information.

The Chief Finance Officer was scheduled to submit a Review of Reserves and Balances report and a report on the Draft Revenue Support Grant Settlement (KD.21/16). The RSG report has been deferred as the draft settlement figures have not yet been received. The Review of Reserves and Balances is to be deferred and will be reviewed as part of the 2016/17 provisional outturn report.

The Corporate Director of Economic Development was scheduled to submit a report on the Public Realm / Green Market (KD.27/16). The matter has been deferred to allow for the provision of additional information on the options for public realm improvements in the Green Market area.
(Copy Notice herewith)

A.8 SCHEDULE OF DECISIONS TAKEN BY PORTFOLIO HOLDERS 231 - 234

(Non Key Decision)

A Schedule of Decisions taken by Portfolio Holders under delegated powers is attached for information.
(Copy Schedule herewith)

Background Papers - as detailed within the Schedule

A.9 SCHEDULE OF DECISIONS TAKEN BY OFFICERS 235 - 250

(Non Key Decision)

A Schedule of Decisions taken by Officers under delegated powers is attached for information.
(Copy Schedule herewith)

Background Papers - as detailed within the Schedule

A.10 TRIPARTITE MEETING **251 - 256**

(Non Key Decision)

The Minutes of the Tripartite Meeting held on 24 October 2016 are submitted for information.
(Copy Minutes herewith)

A.11 SECOND QUARTER PERFORMANCE REPORT 2016/17 **257 - 272**

(Non Key Decision)

The Policy and Communications Manager to submit the second quarter performance monitoring report.
(Copy Report PC.26/16 herewith)

A.12 LAND AND PROPERTY TRANSACTION - DOWNAGATE COMMUNITY CENTRE **273 - 278**

(Non Key Decision)

The Corporate Director of Governance and Regulatory Services to submit a report seeking Executive approval to the surrender and re-grant of a lease of Downagate Community Centre.
(Copy Report GD.69/16 herewith)

A.13 REPRESENTATIVES ON OUTSIDE BODIES

(Non Key Decision)

The Corporate Director of Governance and Regulatory Services to seek the nomination of Members to serve as representatives on PATROL and the National Association of Councillors.

(Non Key Decision)

To consider a reference from the Community Overview and Scrutiny Panel concerning chairmanship of the Council's Overview and Scrutiny Panels.

(Copy Minute Excerpt COSP.82/16 herewith)

PART B

To be considered when the Public and Press are excluded from the meeting

- NIL -

Members of the Executive

Councillor C W Glover (Leader)

Councillor Dr L Tickner (Deputy Leader, and Finance, Governance and Resources Portfolio Holder)

Councillor Mrs H M Bradley (Economy, Enterprise and Housing Portfolio Holder)

Councillor Ms A Quilter (Culture, Heritage and Leisure Portfolio Holder)

Councillor Miss L B Sherriff (Communities, Health and Wellbeing Portfolio Holder)

Councillor C J Southward (Environment and Transport Portfolio Holder)

Enquiries to:

Morag Durham - Tel: 817036

Notes to Members:

Decisions made at this meeting, it not subject to call-in, will become live on 3 January 2017

Report to Executive

Agenda
Item:

A.1(a)

Meeting Date: 19 December 2016
Portfolio: Finance, Governance and Resources
Key Decision: Yes: Recorded in the Notice Ref: KD21/16
Within Policy and Budget Framework YES
Public / Private Public

Title: BUDGET UPDATE – REVENUE ESTIMATES 2017/18 TO 2021/22
Report of: CHIEF FINANCE OFFICER
Report Number: RD40/16

Purpose / Summary:

This report provides an update to RD35/16 together with a summary of the Council's revised revenue base estimates for 2016/17, together with base estimates for 2017/18 and forecasts up to 2021/22 for illustrative purposes.

Potential new spending pressures and savings are also considered in this report. It should be noted that the figures in this report are indicative and the final position is subject to decisions being taken further in the budget process.

The report also provides an update on the key budget considerations.

Recommendations:

The Executive is requested to:

- (i) note the revised base estimates for 2016/17 and base estimates for 2017/18;
- (ii) note that the RSG estimates in the report are draft (although are based on the acceptance of the 4-yearly Local Government Finance settlement) and will be subject to the confirmation December 2016;
- (iii) note the current MTFP projections, which will continue to be updated throughout the budget process as key issues become clearer and decisions are taken;
- (iv) note the budget pressures/savings needing to be taken into account as part of the 2017/18 budget process;
- (v) Note the Statutory Report of the Chief Finance Officer outlining the risks associated with the draft budget figures and that minimum reserves may need to be increased in the future depending upon the outcome of the Local Government Finance review.

Tracking

Executive:	19 December 2016
Overview and Scrutiny:	ROSP 05/01/17
Council:	

1. INTRODUCTION

- 1.1. This report considers the revised base estimates for 2016/17 together with the estimates for 2017/18 as previously outlined in report RD35/16. The report also sets out any known revisions to the Medium Term Financial Plan (MTFP) projections.
- 1.2. The base estimates have been prepared in accordance with the guiding principles for the formulation of the budget over the next five year planning period as set out in the following Policy documents that were approved by Council on 13 September 2016:
 - ◆ Medium Term Financial Plan and Charging Policy
 - ◆ Capital Strategy
 - ◆ Asset Management Plan
- 1.3. Members should be aware that there are a number of significant factors affecting the budget that are currently unresolved. In particular the following are key to the budget process and details on these are considered further in the report:
 - Government Finance Settlement - RSG and Business Rate Retention
 - Welfare Reform Act
 - Transformation
 - Stock issue loan refinancing in 2020
 - Future borrowing requirements
- 1.4. The report draws on information contained in a number of reports that are either considered elsewhere on this agenda or have been considered previously by the Executive.
- 1.5. Decisions will need to be made to limit budget increases to unavoidable and high priority issues, together with maximising savings and efficiencies (and probable use of reserves) to enable a balanced budget position to be recommended to Council in February 2017.

2. SUMMARY OF BASE BUDGET ESTIMATES

- 2.1. The base estimates are calculated on the assumption that core services will continue at approved levels incorporating decisions agreed by Council as part of the previous year's budget process and including all subsequent decisions made by Council.
- 2.2. The table below sets out the base level General Fund requirement for 2016/17 and 2017/18 with projections to 2021/22. The 2016/17 variance reflects the use of

earmarked reserves approved since the MTFP was approved in September.

Table 1 – Base Budget Summary

	2016/17 Original £000	2016/17 Revised £000	2017/18 Original £000	2018/19 Proj £000	2019/20 Proj £000	2020/21 Proj £000	2021/22 Proj £000
Net Base Budget Parish Precepts (PP)	13,062 557	13,227 557	10,734 544	10,602 504	10,685 517	11,812 530	12,179 543
Total	13,619	13,784	11,278	11,106	11,202	12,342	12,722
Original MTFP Projections	13,619	13,619	11,278	11,106	11,202	12,342	12,722
Variance	0	165	0	0	0	0	0
Analysis of Variance:							
Non-Recurring:							
IT Renewals Reserve		48					
Leisure Reserve		17					
Economic Inv Reserve		13					
Cremator Reserve		(42)					
Energy Efficiency Advice Reserve		42					
Carry Forward Reserve		87					
Total Variance	0	165	0	0	0	0	0

2.3. Members will be aware from the Charges Review reports considered elsewhere on this agenda that some income streams are either above or below projected levels in the current financial year. This will be kept under review as part of the budget monitoring process for 2016/17 with the position for 2017/18 onwards being considered as part of the budget process.

3. UPDATED MTFP PROJECTIONS

3.1 The budget projections as currently forecast in the MTFP are summarised in Table 2 below:

Table 2 – Current Budget projections

	Recurring Commitments (Surplus) £000	Non-Recurring Commitments £000	Carry Forwards £000	Transfers Between Reserves £000	Total £000
2016/17	1,241	172	528	0	1,941
2017/18	465	(987)	56	0	(466)
2018/19	(152)	(333)	10	0	(475)
2019/20	363	(666)	0	0	(303)
2020/21	137	391	0	0	528
2021/22	247	391	0	0	638

- 3.2 The revised estimates for 2016/17 will be recommended to Council as part of the budget process.

4. OUTSTANDING KEY ISSUES

4.1. Revenue Support Grant (RSG)

The figures incorporated into this report are based on the 2016/17 Local Government Finance Settlement confirmed by the Secretary of State in January 2016 and are based upon the acceptance of the offer of a four-year funding settlement. It is still unclear as to whether there may be any further changes to these figures but confirmation of the figures is expected in December 2016.

4.2. Retained Business Rates and Council Tax Reduction Scheme

The draft budget assumes that the Council will continue to be a member of the Cumbria Business Rates Pool for 2017/18 and that the Council Tax Reduction Scheme parameters will continue as outlined elsewhere on this agenda.

Further details on the Government announcement that Local Authorities will retain 100% of Business Rates from 2020 are still unknown although more details are slowly emerging. It is likely that the referendum limit will remain for Council Tax increases, however, District Councils are being given the option of raising Council Tax by the greater of 2% or £5.

4.3. Welfare Reform Act

The Government has announced that there will be significant changes to the Welfare State as part of the current Parliament and this will involve radical changes to the way benefits are managed and distributed. There will be significant changes to the way Carlisle City Council manages benefits, with housing benefit absorbed into DWP Universal Credit arrangements (staggered between 2014 and 2017). Housing Benefit Admin Grant is therefore likely to reduce over the life of the MTFP.

4.4. Transformation

The current MTFP includes budgeted recurring savings of £3.475million for the transformation programme, to be found by 2018/19.

4.5. Resource Assumptions

Contributions from balances include all approvals to date, but make no assumptions on further contributions from balances to support the budget from 2017/18 onwards. The resources projections assume:

- A continued reduction in Government Grant allocation in 2017/18 onwards as a result of the acceptance of the four-year settlement.
- A 1.95% Council Tax increase for 2017/18 onwards.
- A Council Tax Surplus for 2017/18 onwards of £50,000. The actual figure for 2017/18 will be available in January.
- Retained business rates are assumed at the Baseline level with an additional £700,000 to be achieved through growth/section 31 grants and from the benefits of Pooling in 2017/18 rising to £900,000 in 2019/20.
- An draft taxbase of 32,544,08 for 2017/18. The final taxbase for 2017/18 will not be available until January.
- Parish Precepts are currently being collated but the estimate for 2017/18 is for a total of £544,000 (including approximately £24,000 in Government Grant for Council Tax reduction scheme.) The actual Parish Precept requirement for each Parish will be reported to the Executive in December.

For information, broadly:

- Each 1% (£1.95) movement in Council Tax impacts on the Council by £67,000
- Each £35,000 increase or decrease in expenditure impacts on the Council Tax requirement by £1.

5. POTENTIAL NEW SPENDING PRESSURES

- 5.1 In light of the current position in the MTFP, there are some potential new spending pressures that need to be considered.

Detail		2017/18 £000	2018/19 £000	2019/20 £000	2020/21 £000	2021/22 £000
Recurring						
Treasury Management	5.2	136	154	378	128	26
Salary Turnover Savings	5.3	119	119	119	119	119
Pension Fund Revaluation	5.4	23	210	231	231	231
Civic Centre Income	5.5	158	158	158	158	158
Homelife	5.6	75	75	75	75	75
Car Parking	5.7	96	96	96	96	96
Clean Up Carlisle	5.8	91	91	91	91	91
Funding Officer	5.9	31	31	31	31	31
Economic Regeneration Team	5.10	24	24	24	24	24
Enterprise Centre Income	5.11	47	47	47	47	47
IT Strategy	5.12	51	177	254	210	210
Total Recurring Pressures		851	1,182	1,504	1,210	1,108
Non Recurring						
Lanes Income	5.13	140	0	0	0	0
Community Infrastructure Levy	5.14	30	0	0	0	0
Carlisle South Masterplan	5.15	115	135	135	65	0
Total Non Recurring Pressures		285	135	135	65	0

5.2 Treasury Management

The Treasury Management projections have been updated to take account of the revised capital programme, including changes to funding. The projections have also taken into account the latest projections for interest rates, including the long term investment in the property fund and re-financing of the stock issue in 2020. Treasury Projections will be recalculated as decisions made during the budget process with regard to contributions to and from reserves which impact on the level of cash forecasts.

5.3 Salary Turnover Savings

Salary Turnover savings target of £412,000 represents 3.5% of staffing costs. Salary Turnover levels have historically been set at 2.5%. With reductions in staffing numbers and VR/ER initiatives, this pressure reduces the target to a realistic level of 2.5%

5.4 Pension Fund Revaluation

The triennial revaluation of the Pension Fund will increase the cost of pension contributions payable by the Council from April 2017. Contributions will rise by 2%,

however, a saving can be made by paying the three-yearly deficit funding upfront and this is factored into the net pressure shown above.

5.5 Civic Centre Rental Income

This pressure reflects the loss of income from the County Council and other tenants vacating the Civic Centre unless other tenants are found the shortfall will become a recurring pressure.

5.6 Homelife

This pressure reflects the gross costs of the core staffing team required to provide and continue the Homelife scheme.

5.7 Car Parking

There is an expectation that income will not achieve the MTFP projections by £60,000 and additional costs in relation to Business Rates on Council owned car parks will increase by £36,000.

5.8 Clean Up Carlisle

This pressure reflects the costs required to continue the Clean Up Carlisle initiative.

5.9 Funding Officer

This represents the cost of appointing a Funding Officer to identify sources of potential external funding in order to increase the sources of grants that can be utilised. This can be funded from the recurring savings on inflation as outlined below.

5.10 Economic Regeneration Team

This represents the additional costs of appointing to the economic regeneration team to increase capacity for regeneration projects and initiatives. This can be funded from the recurring savings on inflation as outlined below

5.11 Enterprise Centre Income

The enterprise centre has not achieved the budgeted level of income for the past couple of years and this pressure will reduce the budget to a more achievable level

5.12 IT Strategy

There have been some increased costs associated with the delivery of a robust and sustainable IT strategy. Additional budget pressures from increased Microsoft Licence costs from 2018/19 and maintenance costs for the IT Computer room.

5.13 Lanes Income

This pressure reflects expected levels of income from the Lanes for 2017/18 only. Estimates are that from 2018/19 the levels of income should return to the current budgeted projections.

5.14 Community Infrastructure Levy

This pressure is to establish the Community Infrastructure Levy (CIL) arrangements for future development activity within the City. There is an expectation that this initial cost can be recovered once CIL's are in place and this is shown in the savings/additional income table below.

5.15 Carlisle South Masterplan

This pressure represents contributions to develop a masterplan for Carlisle South including feasibility studies into a southern relief road. This pressure is offset by additional grant funding anticipated to be received as part of a Garden City bid to government which is shown in the table below.

6. SAVINGS AND ADDITIONAL INCOME PROPOSALS

- 6.1 The current MTFP includes a savings requirement to be found by 2018/19 of £3.475million. This savings requirement takes no account of the pressures identified above or the additional savings identified below. The net position of the final pressures and savings identified as part of this budget process may require changes to be made to the overall savings target.
- 6.2 Further savings/additional income have already been identified in the budget process for 2017/18 to date.

Detail	Note	2017/18 £000	2018/19 £000	2019/20 £000	2020/21 £000	2021/22 £000
Changes to Funding						
Council Tax - £5 increase	6.3	(38)	(72)	(105)	(136)	(163)
Council Tax - Tax Base	6.3	(63)	(66)	(67)	(69)	(71)
Total Changes to Funding		(101)	(138)	(172)	(205)	(234)
<u>Savings Proposed</u>						
Inflation	6.4	(104)	(104)	(104)	(104)	(104)
Base Budget Review	6.5	(403)	(403)	(403)	(403)	(403)
MRP Review	6.6	(363)	(353)	(397)	(394)	(389)
Carlisle South	6.7	(50)	(50)	(50)	(50)	0
Community Infrastructure Levy	6.8	0	0	(30)	0	0
Savings achieved in advance	6.9	(135)	0	0	0	0
New Homes Bonus	6.10	0	0	0	(498)	(563)
Homelife	6.11	(30)	(30)	(30)	(30)	(30)
Total of Savings		(1,085)	(940)	(1,014)	(1,479)	(1,489)
Total Recurring		(900)	(890)	(934)	(931)	(926)
Total Non-Recurring		(185)	(50)	(80)	(548)	(563)

6.3 Council Tax

The referendum limit for Council Tax increases is being proposed to include the ability for District Council's to increase by the greater of 2% or £5. This additional yield therefore represents the additional income that could be generated by increasing from current 1.95% Council Tax increases included in the MTFP to £5. It is likely that confirmation of this proposal to increase by £5 will be received as part of the Local Government Finance Settlement in late December 2016.

The draft tax base calculation has highlighted that the tax base will increase over previous estimates in the MTFP from 32,228.34 to £32,544.08 which will yield additional Council Tax.

6.4 Inflation

The MTFP assumes inflation on general expenditure of 2.0% and 3.0% for income. The cash amount included in the MTFP for inflation has been reduced significantly given reducing levels of expenditure and lower forecasts for inflation.

6.5 Base Budget Review

A review of recurrent under spends over the last three-years has identified some areas where recurring savings can be made from the base budget. These need

further investigation with Directors and Service Managers in order to determine the actual savings to be achieved.

6.6 Minimum Revenue Provision (MRP)

A review of the Council's MRP charges and policy has been undertaken by Capita, the Council's treasury management advisors and has identified the potential for savings to be made in order to counteract the over-provision of MRP charges in previous years. Final details are still to be confirmed as to how these savings can be best achieved and discussions are also being held with the Council's external auditors. The amounts shown above represent amounts of MRP that have been overpaid in previous years in relation to Assets Under Construction and additional Voluntary MRP that was charged between 2003/04 and 2007/08 which can now be utilised to reduce the amounts payable going forward. This accounts for £226,000 per year for five years.

Also included in the saving is the proposal to adjust the MRP policy for amounts chargeable into the future. The current policy is to charge 4% on a reducing balance basis of the Capital Financing Requirement. The statutory guidelines for MRP are that a prudent amount must be charged each year in respect of debt repayment. One of the problems identified with a reducing balance method of charge is that the debt never gets fully repaid. Capita suggest switching to a charge based on a 2% or 3% straight line method. A 3% charge would assume that any debt liability is assumed to be matched to an average asset life of 33 years, which given the Council's asset portfolio is not unrealistic given it has a mix of short life assets, e.g. vehicles with 5-8 year lives and long life assets, e.g. land and buildings with a typical life of 50 years plus. Switching to a 3% Straight Line charge therefore reduces the MRP charge in the earlier years, but increases the MRP charge in later years as the debt liability moves closer to being repaid. The balance of the saving included in the budget represents the switch from a 4% reducing balance method to a 3% straight line method which is seen to be a more accurate reflection of repaying debt liabilities and matched more closely to the assets acquired.

6.7 Carlisle South

This represents the funding anticipated to be received to undertake studies into development of Carlisle South and Southern Relief Road and is from the Garden City application made by the Council.

6.8 Community Infrastructure Levy

This represents the expectation that costs in setting up the Community Infrastructure Levy will be recouped from fees on developers once established.

6.9 Savings achieved in advance

Savings targets for 2015/16 and 2016/17 were overachieved therefore the amount required to be found for 2017/18 is reduced by this amount.

6.10 New Homes Bonus

The 2016/17 budget process assumed that New Homes Bonus would not continue beyond 2019/20. Further information has since suggested that New Homes Bonus may continue and this additional income shown here reflects the continuation of the allocations from 2016/17 on a four yearly cycle rather than the current six-yearly cycle. No provision is made for new allocations from 2019/20 and any awarded will be budgeted once known.

6.11 Homelife

This represents additional fee income that can be generated from administering the grants schemes under the DFG scheme and off sets the additional costs highlighted in 5.6.

7. PROJECTED IMPACT ON REVENUE BALANCES

7.1 It should be noted that if all of the potential new Savings and Spending Pressures were accepted then reserves are maintained at current minimum levels.

7.2 The general principles on each of the Reserves are set out in the Medium Term Financial Plan. In terms of meeting ongoing revenue expenditure, the general guiding principle which Council approved is that:

‘Wherever possible, reserves should not be used to fund recurring expenditure, but that where it is, this should be made explicit, and steps taken to address the situation in the following years’.

7.3 The Council’s current levels of balances are set out in **Appendix A** and include any impact of the proposed pressures and savings outlined in this report. The Projects Reserve has been used as a first call for the current projected revenue budget deficit however, the maintaining the current level of reserves is dependent upon the achievement of the transformation savings. A risk based review of reserve levels has been undertaken and shows that the minimum level of General Fund Reserves should remain at £2million.

Summarised Position	2016/17 Original £000	2016/17 Revised £000	2017/18 Original £000	2018/19 Proj £000	2019/20 Proj £000	2020/21 Proj £000	2021/22 Proj £000
Total Projected Expenditure	13,619	13,784	11,278	11,106	11,202	12,342	12,722
Total Projected Resources	(13,619)	(13,784)	(11,744)	(11,581)	(11,505)	(11,814)	(12,084)
Projected (Surplus) / Shortfall <u>excluding</u> savings and new spending	0	0	(466)	(475)	(303)	528	638
Less:							
New Saving Proposals							
- Recurring	0	0	(900)	(890)	(934)	(931)	(926)
- Non Recurring	0	0	(185)	(50)	(80)	(548)	(563)
- Funding - Tax base	0	0	(63)	(66)	(67)	(69)	(71)
- Funding - £5 increase	0	0	(38)	(72)	(105)	(136)	(163)
(See Para 6)							
Add:							
New Spending Pressures							
- Recurring	0	0	851	1,182	1,504	1,210	1,108
- Non Recurring	0	0	285	135	135	65	0
- Funding	0	0	0	0	0	0	0
(See Para 5)							
Potential Budget Shortfall	0	0	(516)	(236)	150	119	23
Potential Shortfall Analysis:							
- Recurring	0	0	315	2	761	211	195
- Non Recurring	0	0	(831)	(238)	(611)	(92)	(172)

Balance as at:	Projected Reserves £000	Recurring Revenue Requirement £000	Non Recurring Revenue Requirement £000	Transfer to Earmarked Reserve £000
31/03/2017	(1,570)	315	(831)	0
31/03/2018	(2,086)	2	(238)	0
31/03/2019	(2,322)	761	(611)	0
31/03/2020	(2,172)	211	(92)	0
31/03/2021	(2,053)	195	(172)	0
31/03/2022	(2,030)			0

8. SUMMARY FINANCIAL OUTLOOK AND BUDGET DISCIPLINE 2017/18 to 2021/22

- 8.1 The current budget projections for the next five-year period are challenging and continue to show the requirement for substantial savings to be achieved in order to enable the Council to contain its ongoing commitments within available resources.
- 8.2 Notification of Government general and specific grants is received on an individual basis late in the budget process which makes forward planning difficult.
- 8.3 In terms of expenditure pressures, the significant issue affecting the budget is the continuing falling levels of income being received by the Council.
- 8.4 The City Council needs to establish as part of its budgetary process the financial discipline to be followed by member and officers in the ensuing financial years, and the Executive will make recommendations in this respect in December.
- 8.5 Under section 25 of the Local Government Act 2003 the Council's S.151 Officer is required to prepare a statutory report which considers the robustness of the estimates and the adequacy of reserves and which determines levels of borrowing. A full report will be prepared and included within the Executive's draft budget proposals for consultation purposes; however a draft is attached at **Appendix B**.

9 CONSULTATION

- 9.1 The Resources Overview and Scrutiny Panel will consider this report on 5 January 2017, and their views fed back to the Executive on 18 January. Public consultation will take place between 19 December and 16 January and the budget resolution will then be issued by the Executive on 18 January.

10 RECOMMENDATIONS

The Executive is requested to:

- (i) note the revised base estimates for 2016/17 and base estimates for 2017/18;
- (ii) note that the estimates in the report are draft (although are based on the acceptance of the 4-yearly Local Government Finance settlement) and will be subject to the confirmation December 2016
- (iii) note the current MTFP projections, which will continue to be updated throughout the budget process as key issues become clearer and decisions are taken;
- (iv) note the budget pressures/savings needing to be taken into account as part of the 2017/18 budget process.

- (v) Note the Statutory Report of the Chief Finance Officer outlining the risks associated with the draft budget figures and that minimum reserves may need to be increased in the future depending upon the outcome of the Local Government Finance review.

13 CONTRIBUTION TO THE CARLISLE PLAN PRIORITIES

13.1 To ensure that a balanced budget is set.

Contact Officer: Steven Tickner

Ext: 7280

Appendices Appendix A – Council Reserves

attached to report: Appendix B – Draft Statutory Report of Chief Finance Officer

Note: in compliance with section 100d of the Local Government (Access to Information) Act 1985 the report has been prepared in part from the following papers:

- **None**

CORPORATE IMPLICATIONS/RISKS:

Chief Executive's – not applicable

Deputy Chief Executive's – not applicable

Economic Development – not applicable

Governance – The Council has a fiduciary duty to manage its resources properly and for the benefit of its community. In doing so it is required to take account of the advice it receives from its chief finance officer, the Chief Finance Officer. The Council must have a balanced budget to deliver its services and also achieve and sustain an appropriate level of reserves.

Resources – contained within the body of the report

APPENDIX A

COUNCIL RESERVES

Analysis of Council Reserves	Outturn 31 March 2016 £000	Projected 31 March 2017 £000	Projected 31 March 2018 £000	Projected 31 March 2019 £000	Projected 31 March 2020 £000	Projected 31 March 2021 £000	Projected 31 March 2022 £000
Revenue Reserves							
General Fund Reserve	(2,000)	(1,570)	(2,000)	(2,000)	(2,000)	(2,000)	(2,000)
Projects Reserve	(1,511)	0	(86)	(322)	(172)	(53)	(30)
Carry Forward Reserve	(1,078)	0					
Flood Reserve	(500)	0					
Conservation Reserve	(117)	0					
Transformation Reserve	(348)	0					
EEAC Reserve	(43)	0					
Building Control Reserve	(137)	0					
Cremator Reserve	(479)	0					
Leisure Reserve	(118)	0					
Economic Investment Reserve	(108)	0					
Car Parking Reserve	(113)	0					
City Centre Reserve	(42)	0					
Welfare Reform Reserve	(200)	0					
Repairs & Renewals Reserve	(502)	0					
Business Rates Volatility Reserve	(110)	0					
Total Revenue Reserves	(7,406)	(1,570)	(2,086)	(2,322)	(2,172)	(2,053)	(2,030)
Capital Reserves							
Usable Capital Receipts	0	0	0	0	0	0	0
Asset Disposal Reserve	0	0	0	0	0	0	0
Unapplied capital grant	(191)	(191)	(191)	(191)	(191)	(191)	(191)
Asset Investment Reserve	(48)	(48)	(48)	(48)	(48)	(48)	(48)
CLL Reserve (i)	(522)	(522)	(522)	(522)	(522)	(522)	(522)
Lanes Capital Reserve	(15)	(30)	(45)	(60)	(75)	(90)	(105)
Total Capital Reserves	(776)	(791)	(806)	(821)	(836)	(851)	(866)
Total Usable Reserves	(8,182)	(2,361)	(2,892)	(3,143)	(3,008)	(2,904)	(2,896)
Other Technical Reserves (ii)	(103,725)						
Collection Fund (Carlisle Share only)	227						
Total All Reserves	(111,680)						

(i) This reserve relates to CLL assets which may need to be replaced at the end of the contract.

(ii) These reserves are of a technical nature and are not cash backed (i.e. they are not available either to fund expenditure or to meet future commitments.)

DRAFT STATUTORY REPORT OF CHIEF FINANCE OFFICER

1. In setting its Budget Requirement, the Council is required under the Local Government Act 2003 (Section 25) to consider:
 - (i) The formal advice of the statutory responsible financial officer (Chief Finance Officer) on the robustness of the estimates included in the budget and the adequacy of the reserves for which the budget provides;
 - (ii) The Council has to determine what levels of borrowing, if any, it wishes to make under the Prudential Code that governs local authority borrowing.

2. **Robustness of the Estimates**

Whilst relevant budget holders are responsible for individual budgets and their preparation, all estimates are scrutinised by Financial Services staff, the Senior Management Team and the Strategic Financial Planning Group prior to submission to members.

The Council's revenue and capital budgets are integrated in that the financial impact of the proposed capital programme is reflected in the revenue estimates.

The Council has no history of overspending against budget, indeed, there has tended to be a degree of underspending. However improved budget monitoring backed up by specific action where appropriate and base budget procedures have proven effective in addressing this issue.

There are risks however involved in projecting budgets particularly over the medium term and the year-end position will never exactly match the estimated position in any given year. Areas of specific risk in the current five-year period under consideration are:

- The Transformation programme is expected to achieve savings of £3.475million between 2016/17 and 2018/19, in order to meet the expected cuts in grants from central government and other budgetary pressures identified in the previous budget process. No new transformation savings are expected over and above this target at this point in time. This will ensure that a balanced budget is produced and where Council reserves are replenished over the longer term.
- The level of interest receipts and return on Treasury Management activities are subject to market rates. Members are advised of this risk every year and it should be noted that in the current economic climate with low base rates, investment income returns in the medium term are very difficult to predict. The Council is also having to deal with a reduced number of counterparties it is able to place deposits with.

The main risks to the robustness of the estimates are the impact of the proposed reductions in central government grant and how the 100% retention of business rates will be phased in. Once the Local Government Finance Settlement is known in December 2016, these risks may become clearer and will be incorporated into the final budget proposals.

Minimal use of reserves will be necessary to fund this budget; however the proposals put in place continue to maintain reserve levels at an acceptable level in the following 5 years.

The delivery of the savings proposals identified and continuing work to deliver further savings will also be important to maintaining reserves at prudent levels. Regular budget monitoring, particularly in the area of the Transformation programme is imperative during this period. The level of the Council's future Capital Programme in taking account of a significant reduction in capital receipts is fully funded but includes a borrowing requirement over the five year period and specifically an external borrowing requirement in 2018/19 to fund new leisure facilities which is an invest to save initiative. However, no capital reserves are available to fund new capital projects other than invest to save initiatives funded from revenue reserves.

- Central contingencies – there have been no contingency budgets built in to the existing estimates. This means that any unforeseen expenditure that cannot be contained within existing budgets will require a supplementary estimate to cover any costs. The budget proposals will significantly limit the capability to deal with any of these events and these may have to be found from within other budgets and reserves should the need arise.

2. Adequacy of Reserves

The level and usage of the Council's Reserves is undertaken annually as part of the Medium Term Financial Plan.

The appropriateness of the level of reserves can only be judged in the context of the Council's longer term plans and an exercise has been undertaken to review the level of reserves through the use of a risk assessment matrix. The findings of this exercise suggested that the minimum level should be set at £2.0m as a prudent level of General Fund Reserves which will be required as a general working capital/ contingency to cushion the Council against unexpected events and emergencies.

The Council's policy on reserves is that wherever possible reserves should not be used to fund recurring expenditure, but that where it is, this should be made explicit and steps taken to address the situation in the following years. The Executive sets out in its Budget Discipline and Saving Strategy on how it expects Officers to address the 2017/18 budget pressures in setting the 2017/18 budget and principles to be adopted when preparing the 2018/19 budget cycle.

Based on current projections, Council Reserves will be maintained at prudent levels. It is accepted that the level of reserves is reliant on the delivery of the transformation savings and achievement of income targets and government funding.

Minimum reserves may need to increase over the medium term depending upon the final outcome of the devolvement of 100% business rates to local authorities. This devolvement is likely to increase the risks to local authorities and as such it may be prudent to hold greater reserves to cope with these risks.

3. Determination of Borrowing

The new Prudential Accounting regime enables the Council to borrow subject to meeting criteria of affordability. The draft Prudential Indicators have been established and these will be finalised for Council approval once decisions on the overall Capital Programme have been made.

For the period under review the need for borrowing will be kept under consideration and will be dependent on the level of capital receipts being generated and the potential of future capital projects. Due to projects currently under consideration, the capital programme for 2017/18 to 2021/22 may require the use of Prudential

Borrowing (including internal borrowing) to sustain levels depending on the levels of capital receipts that can be generated in the future. If borrowing is required, full option appraisals will be carried out.

Report to Executive

Agenda
Item:

A.1(b)

Meeting Date: 19 December 2016
Portfolio: Finance, Governance and Resources
Key Decision: Yes: Recorded in the Notice Ref: KD21/16
Within Policy and Budget Framework YES
Public / Private Public

Title: REVISED CAPITAL PROGRAMME 2016/17 AND PROVISIONAL CAPITAL PROGRAMME 2017/18 TO 2021/22
Report of: CHIEF FINANCE OFFICER
Report Number: RD41/16

Purpose / Summary:

The report provides an update to RD36/16 and sets out the proposed capital programme for 2017/18 to 2021/22 in the light of new capital proposals identified, and summarises the estimated capital resources available to fund the programme.

Recommendations:

The Executive is asked to:

- (i) Note the revised capital programme and relevant financing for 2016/17 as set out in Appendices A and B;
- (ii) Give consideration and views on the proposed capital spending for 2017/18 to 2021/22 given in the report in the light of the estimated available resources;
- (iii) Note that any capital scheme for which funding has been approved by Council may only proceed after a full report, including business case and financial appraisal, has been approved.

Tracking

Executive:	19 December 2016
Overview and Scrutiny:	ROSP 5 January 2017
Council:	7 February 2017 (Budget Resolution)

1. BACKGROUND

- 1.1 This report details the revised capital programme for 2016/17 together with the proposed methods of financing as set out in paragraph 3 and **Appendix A and B**.
- 1.2 The report also details the capital spending proposals for 2017/18 to 2021/22, together with the potential resources available to fund the programme. Members are asked to give initial consideration to the spending proposals.
- 1.3 The guiding principles for the formulation of the capital programme over the next five year planning period are set out in the following policy documents that were approved by Council on 13 September 2016:
 - Capital Strategy 2017-18 to 2021-22 (Report RD17/16)
 - Asset Management Plan (Report GD50/16)
- 1.4 A Corporate Programme Board of senior officers continues to take the lead on the prioritisation of investment and the monitoring and evaluation of schemes. This is to improve performance monitoring and business case analysis of capital projects.

2. CAPITAL RESOURCES

- 2.1 There are several sources of capital resources available to the Council to fund capital expenditure, the main ones being:
 - Borrowing (Prudential Code - see paragraph 5.2)
 - Capital Grants e.g. DFG, specific capital grants
 - Capital Receipts e.g. proceeds from the sale of assets
 - Council Reserves e.g. Projects Reserve
- 2.2 In accordance with the Capital Strategy, the Chief Finance Officer will make recommendations on the most effective way of financing the Capital Programme to optimise the overall use of resources.
- 2.3 It should be noted that capital resources can only be used to fund capital expenditure and cannot (with the exception of the Council's own Reserves), be used to fund revenue expenditure. There are strict definitions of what constitutes capital expenditure.
- 2.4 It should also be noted that the resources available to support the capital programme can only be estimated during the year. The final position is dependent

in particular on how successful the Council has been in achieving Capital Receipts from the sale of assets against its target i.e. the more capital receipts generated, the less is required to be taken from Borrowing and Council Reserves (and vice versa).

- 2.5 The cost of externally borrowing £1m to fund the capital programme will result in a charge to the revenue account in the next full year of approximately £65,000. This is made up of £25,000 for the cost of the interest payable (2.50% of £1m equates to £45,000) and a principal repayment provision of 4% of the outstanding sum (4% of £1m equates to £40,000).

3. REVISED CAPITAL PROGRAMME 2016/17

- 3.1 The capital programme for 2016/17 totalling £10,018,800 was approved by Council on 19 July 2016 as detailed in the 2015/16 out-turn report (RD07/16).
- 3.2 The revised capital programme for 2016/17 now totals £10,515,000 as detailed in **Appendix A**.
- 3.3 **Appendix B** details the revised anticipated resources available and their use to fund the capital programme. These have been revised to take account of revised projections and valuations of asset sales.
- 3.4 A summary of the revised programme for 2016/17 is shown below:

Summary Programme	£	Appx
2016/17 Original Capital Programme	10,018,800	A
Other adjustments	421,200	
Increase capital programme for John Street	75,000	
Revised Capital Programme (Sept 2016)	10,515,000	A
Estimated Capital Resources available	(8,654,280)	B
Projected (Surplus)/Shortfall capital resources	1,860,720	

- 3.5 Executive are asked to note an increase of £75,000 for upper floor refurbishment work at John Street. The ground floor reinstatement work as a result of flood damage are covered under the Council's insurance. The work for the upper floor is required to ensure when the building is reopened, the whole building is available for occupation.

Funding for these works will be provided from the Flood Reserve on completion of an Officer Decision Notice by the Chief Finance Officer.

- 3.6 The progress to date of each scheme in the current financial year has been identified in the Quarterly Budget Monitoring report (RD33/16). That report also highlighted an underspend of £486,234 against the profiled annual budget.

4. CAPITAL SPENDING PROPOSALS 2017/18 TO 2021/22

- 4.1 The existing capital spending proposals are summarised in the following table.

Capital Scheme	App/ Para	2017/18 £000	2018/19 £000	2019/20 £000	2020/21 £000	2021/22 £000
<u>Current Commitments:</u>						
Vehicles & Plant	4.2	1,114	383	265	0	0
Planned Enhancements to Council Property	4.3	150	150	150	150	150
Disabled Facilities Grants	4.4	1,467	1,467	1,467	1,467	1,467
ICT Infrastructure	4.5	100	100	0	0	0
Leisure Facilities	4.6	0	5,000	0	0	0
Total Existing Commitments		2,831	7,100	1,882	1,617	1,617
<u>New Spending Proposals:</u>						
Vehicles & Plant	4.2	326	338	596	629	1,531
Green Gyms	4.7	25	25	0	0	0
Total New Proposals		351	363	596	629	1,531
TOTAL POTENTIAL PROGRAMME		3,182	7,463	2,478	2,246	3,148

- 4.2 The anticipated budgets for replacement of the Council's vehicle fleet are included in the table above and have been amended to reflect revised requirements within service areas.
- 4.3 The allocation for planned enhancements to council properties is retained at the current level of £150,000.
- 4.4 Disabled facilities grant allocation will not be known until January 2017, although it has been assumed for the purpose of this report that the grant will be protected at the 2016/17 level. This grant will be awarded via the County Council's Better Care Fund.
- 4.5 The provision for ICT replacement is included at £100,000 from 2017/18 to 2018/19.

- 4.6 Capital expenditure for the enhancement work to Leisure Facilities is profiled for 2018/19 to reflect the timeline in relation to the new contract start date. The tender for the Leisure operator is underway and external advisors are preparing Facilities Development Plans which will include updated and revised timescales and costings, including potential external contributions, for the new Leisure Facilities.
- 4.7 To install outdoor gym equipment in two green spaces across Carlisle.

5. POTENTIAL CAPITAL RESOURCES AVAILABLE

- 5.1 The table below sets out the estimated revised resources available to finance the capital programme for 2017/18 to 2021/22 based on the announcements by Government in the spending review.

Source of Funding	Para	2017/18 £000	2018/19 £000	2019/20 £000	2020/21 £000	2021/22 £000
Capital Grants & Contributions:						
• Disabled Facilities Grant	5.3	(1,467)	(1,467)	(1,467)	(1,467)	(1,467)
External Borrowing	5.4	0	(5,000)	0	0	0
Capital Receipts:						
• Generated in year – Asset Business Plan	5.5	(1,694)	(500)	0	0	0
• Generated in year – PRTB	5.5	(150)	0	0	0	0
Direct Revenue Financing / Invest to Save	5.6	(770)	(908)	(978)	(976)	(884)
TOTAL		(4,081)	(7,875)	(2,445)	(2,443)	(2,351)

- 5.2 The Prudential Code, which was introduced in 2004, gives authorities freedom to borrow to fund capital schemes subject to the over-riding principles of Affordability, Prudence and Sustainability. Whilst the new freedoms could significantly impact on the capital resources available to the Authority, the principles referred to in effect mean that the Council is limited by the ongoing cost of any borrowing (i.e. the cost of prudential borrowing falls to be met from the General Fund recurring expenditure). The Prudential Code requires authorities to develop their own programmes for investment in fixed assets, based upon what the authority and local taxpayers can afford, and subject to a full Business Case and Options appraisal process. Further details on the Code can be found elsewhere on the agenda in the Treasury Management Report (RD42/16).
- 5.3 Disabled facilities grant allocation will not be known until January 2017, although it has been assumed for the purpose of this report that the grant will be protected at the 2016/17 level. However as mentioned earlier this grant will be awarded via the

County Council's Better Care Fund and there is still some uncertainty as to what the allocation will be.

5.4 External borrowing to fund Leisure facility enhancement work.

5.5 Capital receipts from the sale of fixed assets

Capital receipts from the sale of assets have been updated following approval of a revised Asset Management Plan by Council in September (Report GD50/16).

The Preserved Right to Buy (PRTB) sharing arrangement with Riverside Group is for a fifteen year period with the Council being entitled to a pre-agreed reducing percentage of the receipts. PRTB sales are predicted to be in line with the original projections.

5.6 Revenue contributions in relation to invest to save schemes.

6. SUMMARY PROVISIONAL CAPITAL PROGRAMME 2017/18 TO 2021/22

6.1 A summary of the estimated resources compared to the proposed programme year on year is set out below:

	2017/18 £000	2018/19 £000	2019/20 £000	2020/21 £000	2021/22 £000
Estimated in year Resources available (para 5.1)	(4,081)	(7,875)	(2,445)	(2,443)	(2,351)
Proposed Programme (para 4.1)	3,182	7,463	2,478	2,246	3,148
Projected (Surplus)/Deficit	(899)	(412)	33	(197)	797
Cumulative B/Fwd Balance	1,861	962	550	583	386
Cumulative year end Position					
• Capital (Surplus) / Deficit	962	550	583	386	1,183

The table above shows there is an additional borrowing requirement from 2017/18. In order to reduce the exposure of the council to a borrowing requirement the following steps could be examined during the course of this budget process:

- Fundamental review of current capital programme;
- No new major one-off schemes unless fully funded from grants or external funding;
- Providing an increased recurring revenue contribution to the capital programme;

- Invest to save schemes that can repay the capital investment over a period of time.

There is also an assumption that the Rethinking Waste project will realise efficiency savings that will allow the revenue budget to contribute to the cost of replacement refuse vehicles.

7. CONSULTATION

- 7.1 The Resources, Environment and Economy and Community Overview and Scrutiny Panels have considered the requests for their areas of responsibility at their meetings in November and December. Feedback of any comments on the proposals have been made to the Executive in December prior to the Executive issuing their draft budget proposals for wider consultation.

8. CONCLUSION AND REASONS FOR RECOMMENDATIONS

The Executive is asked to:

- (i) Note the revised capital programme and relevant financing for 2016/17 as set out in Appendices A and B;
- (ii) Give consideration and views on the proposed capital spending for 2017/18 to 2021/22 given in the report in the light of the estimated available resources;
- (iii) Note that any capital scheme for which funding has been approved by Council may only proceed after a full report, including business case and financial appraisal, has been approved.

9. CONTRIBUTION TO THE CARLISLE PLAN PRIORITIES

- 9.1 The capital programme includes a range of positive projects that will directly benefit the people of Carlisle.

Contact Officer: Steven Tickner

Ext: 7280

**Appendices
attached to report:**

Note: in compliance with section 100d of the Local Government (Access to Information) Act 1985 the report has been prepared in part from the following papers:

- None

CORPORATE IMPLICATIONS/RISKS:

Chief Executive's – not applicable

Deputy Chief Executive's – not applicable

Economic Development – not applicable

Governance – The Council has a fiduciary duty to manage its resources properly and for the benefit of its community. In doing so it is required to take account of the advice it receives from its chief finance officer, the Chief Finance Officer. The Council must have a balanced budget to deliver its services and also achieve and sustain an appropriate level of reserves.

Resources – Contained within the report

Scheme	Original Capital Programme 2016/17 £	Other Adjustments £	Revised Capital Programme 2016/17 £
Public Realm (S106)	62,100	0	62,100
Castle Way (S106)	329,700	0	329,700
Arts Centre	47,900	0	47,900
Old Town Hall Phase 2	88,100	0	88,100
Harraby School and Community Campus contribution	500,000	0	500,000
Planned Enhancements to Council Property	252,400	0	252,400
Vehicles, Plant & Equipment	856,400	1,241,100	2,097,500
ICT Infrastructure	44,900	0	44,900
Private Sector Grants	1,467,300	0	1,467,300
Public Realm Improvements	261,300	0	261,300
Play Area Developments & Open Spaces	1,500	230,400	231,900
Kingstown Industrial Estate	9,800	0	9,800
Bitts Park Improvements	212,500	0	212,500
Revenues & Benefits ICT Upgrades	45,200	0	45,200
Crindledyke Cycleway	281,000	0	281,000
Tennis Facilities	497,000	0	497,000
Closed Circuit Cycle Track Development	650,000	0	650,000
Durranhill Industrial Estate	1,157,800	0	1,157,800
Asset Review	992,900	0	992,900
Minor Works Grants	0	73,300	73,300
Broadband Connection Vouchers	0	2,600	2,600
Market Hall Roof	0	460,000	460,000
IC All Risk Flood Replacement	0	94,800	94,800
SUB-TOTAL	7,757,800	2,102,200	9,860,000
<u>Capital Reserves to be released</u>			
ICT Infrastructure	200,000	0	200,000
Market Hall Roof	460,000	(460,000)	0
Vehicles, Plant & Equipment	1,221,000	(1,221,000)	0
Old Town Hall / Greenmarket	380,000	0	380,000
	2,261,000	(1,681,000)	580,000
Proposed Increase:			
John Street Improvements	0	75,000	75,000
REVISED TOTAL	10,018,800	496,200	10,515,000

REVISED CAPITAL PROGRAMME 2016/17 – PROPOSED FINANCING

Source of funding	2016/17 Original £	2016/17 Revised £	Notes
Capital Grants:			
• DFG	1,467,300	1,467,300	1
• General	2,207,800	2,404,200	
Capital Receipts:			
• B/fwd from previous year	(371,620)	(371,620)	2
• PRTB receipts	150,000	150,000	
• Generated in year (Asset Review)	2,000,000	2,000,000	
Capital Contributions			
• General	672,800	753,700	3
Use of Reserves/Internal Borrowing	0	75,000	4
Direct Revenue Financing	2,012,800	2,175,700	5
TOTAL FINANCE AVAILABLE	8,139,080	8,654,280	
TOTAL PROGRAMME (SEE APP A)	10,018,800	10,515,000	
PROJECTED (SURPLUS)/DEFICIT IN CAPITAL RESOURCES AVAILABLE	1,879,720	1,860,720	

Notes:

- Capital grant include funding for Durranshill Industrial Estate (£1,157,800), Tennis Facilities (£400,000), Cycle Track Development (£650,000), Play Area Developments (£120,500), Minor Works Grants (£73,300) and Broadband Connection Vouchers (£2,600).
- Revised projections from Riverside Group for 2016/17 will be provided in a future report to the Executive.
- General receipts relate to Castle Way S106 (£329,700), Public Realm S106 (£62,100), Play Areas & Open Space Improvements (£80,900) and Crindledyke Cycleway (£281,000).
- Use of Flood Reserve to fund John Street Refurbishment Improvements.
- Changes to Direct Revenue Financing relate to Solar Panels (£3,400), Capital Enhancements to Council Property (£15,600), Vehicle Plant & Equipment (£20,100), Play Area Developments (£29,000) and All Risk Flood Replacement (£94,800).

Report to Executive

Agenda
Item:

A.1(c)

Meeting Date: 19 December 2016
Portfolio: Finance, Governance and Resources
Key Decision: Yes: Recorded in the Notice Ref: KD21/16
Within Policy and Budget Framework YES
Public / Private Public

Title: DRAFT TREASURY MANAGEMENT STRATEGY STATEMENT,
INVESTMENT STRATEGY AND MINIMUM REVENUE
PROVISION STRATEGY 2017/18
Report of: CHIEF FINANCE OFFICER
Report Number: RD42/16

Purpose / Summary:

This report sets out the Council's Draft Treasury Management Strategy Statement for 2017/18, in accordance with the CIPFA Code of Practice on Treasury Management. The Draft Investment Strategy and the Draft Minimum Revenue Provision (MRP) Strategy for 2017/18 are also incorporated as part of the Statement. So too are the Prudential Indicators as required within the Prudential Code for Capital Finance in Local Authorities.

Recommendations:

The Executive is asked to note the Draft Treasury Management Strategy Statement for 2017/18, which incorporates the Draft Investment Strategy and the Draft MRP Strategy, together with the Prudential Indicators for 2017/18 for draft budget consultation purposes as set out in Appendix A and the Treasury Management Policy Statement as set out at Appendix D.

Tracking

Executive:	19 December 2016, 18 January 2017
Overview and Scrutiny:	7 January 2017
Audit Committee:	5 January 2017
Council:	7 February 2017

1. BACKGROUND

- 1.1 The CIPFA Code of Practice on Treasury Management in Local Authorities was first issued in 1992 and updated in 1996 and 2001. The City Council formally adopted this Code in March 2002 and adopted the 2011 revision in February 2012. The updates made are minor, and centre around the changes in housing finance, Localism Act and the introduction of General Powers of Competence.
- 1.2 Under the requirements of the revised Code, the Council will receive each year the following reports:-
- Annual strategy and plan in advance of the year
 - A mid year review
 - Annual report after its close.

2. TREASURY MANAGEMENT STRATEGY STATEMENT

- 2.1 As required under the Code, the Treasury Management Strategy Statement for 2017/18, which also incorporates both the Investment Strategy for that year and the Minimum Revenue Strategy, is set out in **Appendix A**. The schedule of approved investment vehicles is contained in **Appendix B** and **Appendix C** includes a summary of current economic forecasts on interest rates that have been utilised in preparing the Strategy.
- 2.2 Also included within Appendix A are the **Prudential Indicators** that must be determined under the requirements of the CIPFA Prudential Code for Capital Finance in Local Authorities. These requirements came into operation on 1 April 2004 under the provisions of the Local Government Act 2003. Part 1 of the Act allows a local authority to borrow money for any purpose that is within its control or for the purposes of the prudent management of its financial affairs. The main purpose for borrowing money is to fund capital expenditure although some short-term borrowing is permitted to cover temporary cash flow needs.
- 2.3 Since 1 April 2004 there has been no statutory limit to the amount that can be borrowed. There is, however, a requirement for full compliance with CIPFA's Prudential Code; the key objectives of which are to demonstrate that the proposed capital investment plans have been assessed by the Council as affordable, prudent and sustainable. Section 3(1) of the Act puts a duty on the Council to determine before the start of the financial year and keep under review the maximum amount that it can afford to borrow. This amount is called the **Authorised Limit** and is discussed in Appendix A.

2.4 The Prudential Indicators will be monitored via the quarterly Treasury Management monitoring reports.

3. CONSULTATION

3.1 The Council has appointed Capita Asset Services Treasury Services as its Treasury Advisers and they have been involved in the Strategy and proposals contained within this report.

4. CONCLUSION AND REASONS FOR RECOMMENDATIONS

4.1 The Executive is asked to note the Draft Treasury Management Strategy Statement for 2017/18, which incorporates the Draft Investment Strategy and the Draft MRP Strategy, together with the Prudential Indicators for 2017/18 for draft budget consultation purposes as set out in Appendix A and the Treasury Management Policy Statement as set out at Appendix D.

5. CONTRIBUTION TO THE CARLISLE PLAN PRIORITIES

5.1 To ensure the Council's investments are in line with the appropriate policies including the Treasury Management Strategy Statement.

Contact Officer: Steven Tickner

Ext: 7280

Appendices attached to report:

- Appendix A – Treasury Management Strategy Statement**
- Appendix B – Approved Investment Instruments**
- Appendix C – Interest Rate Forecasts**
- Appendix D – Treasury Management Policy Statement**

Note: in compliance with section 100d of the Local Government (Access to Information) Act 1985 the report has been prepared in part from the following papers:

- None

CORPORATE IMPLICATIONS/RISKS:

Chief Executive's – not applicable

Economic Development – not applicable

Governance – The Council has a fiduciary duty to manage its resources effectively for the benefit of its area and the delivery of its services. Treasury Management is an important

part of this function and it is appropriate that the Council has a strategy and takes account of the available specialist internal and external advice. The Treasury Management Strategy forms part of the Budget and Policy framework and, therefore, ultimately requires approval by Council.

Resources – contained within the report.

Draft Treasury Management Strategy Statement

Minimum Revenue Provision Policy Statement and Annual Investment Statement

Carlisle City Council

2017/18

1. INTRODUCTION

- 1.1 The Local Government Act 2003 and supporting regulations requires the Council to 'have regard to' the CIPFA Prudential Code and the CIPFA Treasury Management Code of Practice to set Prudential and Treasury Indicators for the next 3 years to ensure that the Council's capital investment plans are affordable, prudent and sustainable.
- 1.2 The Act therefore requires the Council to set out its treasury strategy for borrowing and to prepare an Annual Investment Strategy (as required by Investment Guidance subsequent to the Act and included as paragraph 9 of this report); these set out the Council's policies for managing its investments and for giving priority to the security and liquidity of those investments.
- 1.3 The Department of Communities and Local Government has issued revised investment guidance which came into effect from 1 April 2010. There were no major changes required over and above the changes already required by the revised CIPFA Treasury Management Code of Practice 2009 and 2011.
- 1.4 The Chartered Institute of Public Finance and Accountancy's (CIPFA) Code of Practice on Treasury Management (revised November 2011) was adopted by this Council in February 2012.
- 1.5 The suggested strategy for 2017/18 in respect of the following aspects of the treasury management function is based upon officers' views on interest rates, supplemented with leading market forecasts provided by the Council's treasury consultants. The strategy covers the following issues:
 - Treasury limits in force that will limit the treasury risk and activities of the Council;
 - Prudential and Treasury Indicators;
 - Current treasury position;
 - Borrowing requirement;
 - Prospects for interest rates;
 - Borrowing strategy considerations;
 - Debt rescheduling opportunities.
 - Investment Strategy
 - Minimum Revenue Provision Strategy

1.6 It is a statutory requirement under Section 33 of the Local Government Finance Act 1992, for the Council to produce a balanced budget. In particular, Section 32 requires a local authority to calculate its budget requirement for each financial year to include the revenue costs that flow from capital financing decisions. This, therefore, means that increases in capital expenditure must be limited to a level whereby increases in charges to revenue from: -

- increases in interest charges caused by increased borrowing to finance additional capital expenditure, and
- any increases in running costs from new capital projects are limited to a level which is affordable within the projected income of the Council for the foreseeable future

2. TREASURY LIMITS 2017/18 TO 2019/20

2.1 It is a statutory duty, under S.3 of the Local Government Act 2003 and supporting regulations, for the Council to determine and keep under review how much it can afford to borrow. The amount determined is termed the 'Affordable Borrowing Limit'.

2.2 The Council must have regard to the Prudential Code when setting its Affordable Borrowing Limit. This essentially requires it to ensure that total capital investment remains within sustainable limits and in particular, that the impact upon its future council tax levels is 'acceptable'. It is important to understand, however, that the Indicators themselves, which are set out in paragraph 5, do not have an inherently right or wrong answer. They are not intended as comparator information between different authorities but are designed to support and record local decision making.

3. USE OF TREASURY CONSULTANTS

3.1 The authority has, like most other authorities, employed treasury advisers for specialist advice and assistance for many years. In the case of this authority, this role has long been fulfilled by Capita Asset Services Treasury Services.

3.2 Capita Asset Services provide specialist advice on both borrowing and investment matters. They also supply other relevant information and hold regular client seminars which help provide up to date training in what is an important and continually changing field. That said, it is important to recognise that responsibility for all treasury matters lies solely with the City Council and this responsibility is not delegated to Capita Asset Services or any other third party. The Council has regard to the advice and information supplied by Capita Asset Services along with advice

and information from a variety of other sources. Such advice is valued and the authority is in frequent contact with Capita Asset Services but this does lessen the ultimate responsibility of the City Council in dealing with treasury matters and taking relevant decisions.

4. **CURRENT PORTFOLIO POSITION**

The Council's treasury portfolio position at 30 November 2016 comprised:

Table 1		Principal £m	£m	Ave Rate %
Fixed Rate Funding	PWLB Market	0 15.0	15.0	8.76
Variable Rate Funding	PWLB Market	0 0	0	0.00
Other Long Term Liabilities			0	0.00
Gross Debt			15.0	8.76
Total Investments			23.3	1.13

5. **PRUDENTIAL AND TREASURY INDICATORS 2017/18 - 2019/20**

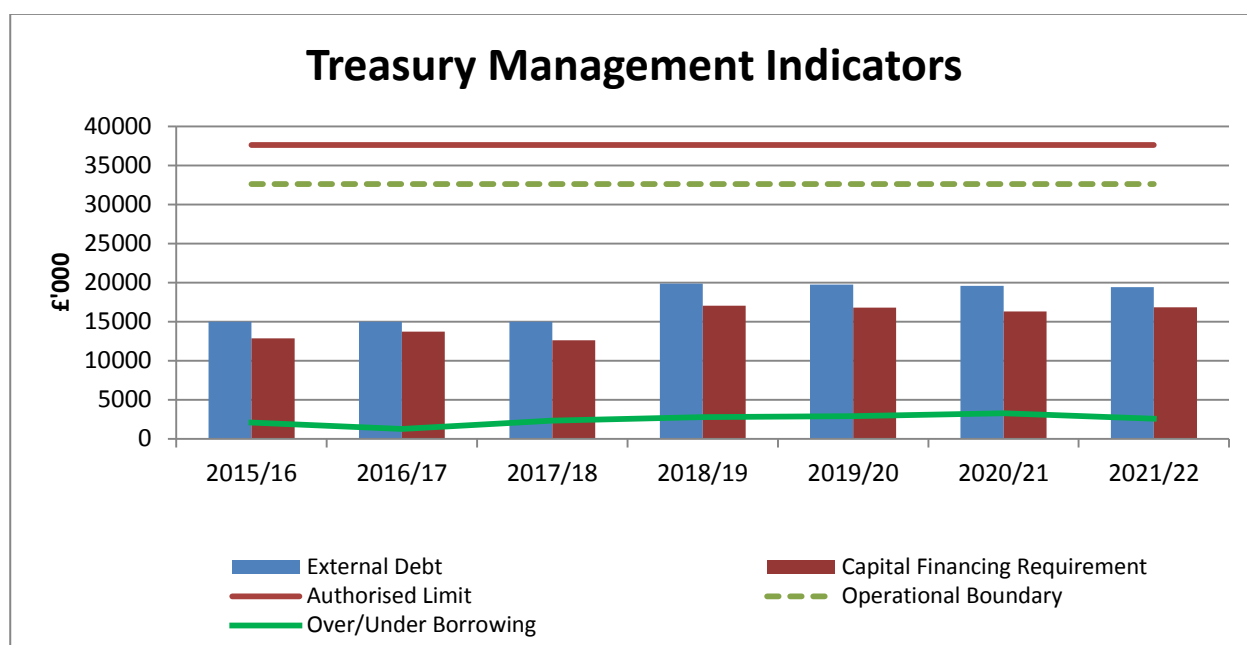
- 5.1 The Prudential and Treasury Indicators have been based on current projections for capital spending and resources in 2017/18 to 2019/20. The Council has ensured that future years' capital programmes have been set in accordance with the principles contained within the City Council's Capital Strategy and Asset Management Plan.

PRUDENTIAL INDICATOR AFFORDABILITY INDICATORS	2015/16 actual £000	2016/17 revised estimate £000	2017/18 estimate £000	2018/19 estimate £000	2019/20 estimate £000
Capital Expenditure	7,969	10,515	3,182	7,463	2,478
Ratio of financing costs to net revenue stream	11.74%	12.81%	13.58%	14.61%	15.48%
Net borrowing requirement in year	0	0	0	5,000	0
Capital Financing Requirement as at 31 March	12,897	13,741	12,645	17,069	16,803
Annual change in Cap. Financing Requirement	3,596	844	(1,096)	4,424	(266)
Incremental impact of capital investment decisions					
Increase in council tax (band D) per annum (£)	4.55	1.05	(1.36)	5.48	-0.33

- 5.2 The estimates of financing costs include both current capital commitments and the draft capital programme as presented elsewhere on the agenda. In the case of this authority, it is assumed that any support from central government towards the costs of capital expenditure programmes in the next three years will be by means of a capital grant.

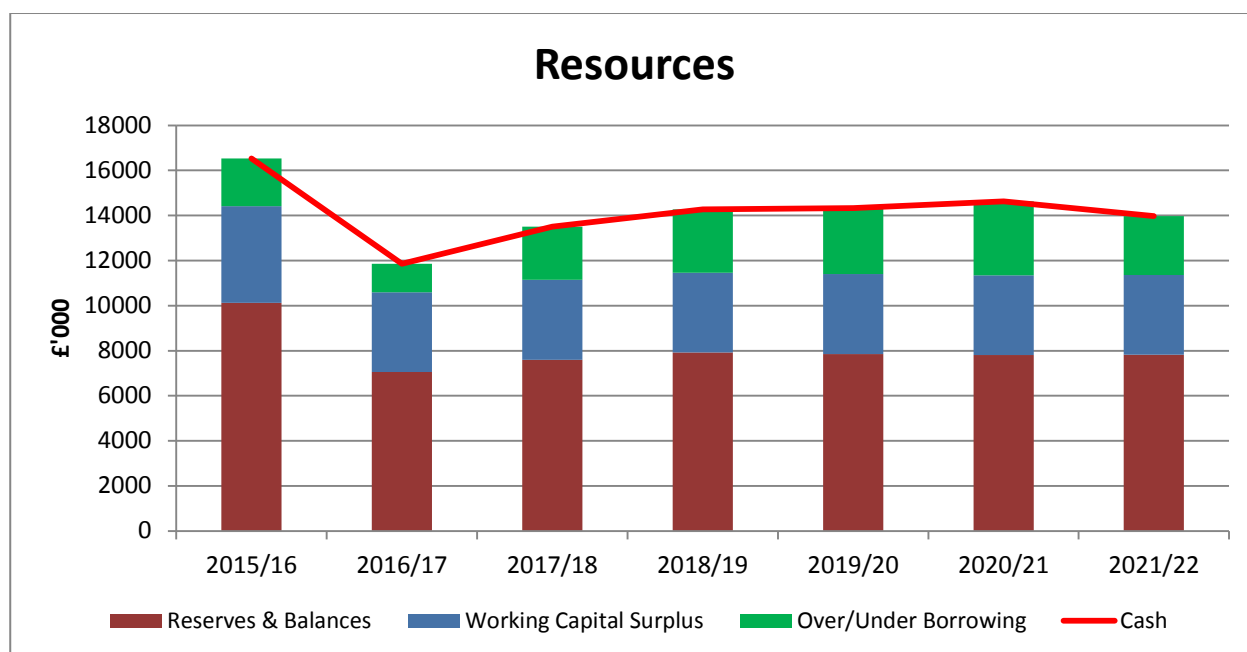
PRUDENTIAL INDICATOR TREASURY MANAGEMENT INDICATORS	2015/16 actual £000	2016/17 revised estimate £000	2017/18 estimate £000	2018/19 estimate £000	2019/20 estimate £000
Authorised Limit for External Debt:					
- Borrowing	37,500	37,500	37,500	37,500	37,500
- Other Long Term Liabilities	100	100	100	100	100
TOTAL	37,600	37,600	37,600	37,600	37,600
Operational Boundary for external debt:					
- Borrowing*	32,500	32,500	32,500	32,500	32,500
- Other Long Term Liabilities	100	100	100	100	100
TOTAL	32,600	32,600	32,600	32,600	32,600
Upper Limit for fixed interest rate exposure:					
- Net principal re. Fixed rate borrowing/investments	100%	100%	100%	100%	100%
Upper Limit for variable rate exposure					
- Net principal re. Variable rate borrowing/investments	100%	100%	100%	100%	100%
Upper Limit for total principal sums invested for over 1 year	50%	50%	50%	50%	50%

- 5.3 The graph below shows the level of external debt currently forecast against the Capital Financing Requirement. This shows that the Council will be in an over borrowed position for the next five years with actual debt carried being higher than the CFR.



- 5.4 This over-borrowed position is reflected in the level of cash resources the Council is anticipated to hold over the same period. This shows that the level of cash held as

investments is as a result of the level of cash-backed reserves, working capital surpluses and the amount of over borrowing being carried.



Maturity structure of any fixed rate borrowing during 2016/17	Upper limit	Lower limit
Under 12 months	100%	0%
12 months and within 24 months	100%	0%
24 months and within 5 years	100%	0%
5 years and within 10 years	100%	0%
10 years and above	100%	0%

5.5 In respect of its external debt, it is recommended that the Council approves the above authorised limit for its total external debt, gross of investments, for the next three financial years. The limit separately identifies borrowing from other long term liabilities such as finance leases. The Council will be asked to approve these limits and to delegate authority to the Chief Finance Officer, within the total limit for any individual year, to effect movement between the separately agreed limits for borrowing and other long term liabilities in accordance with option appraisal and best value for money. Any such change would be reported to the next available Council meeting.

5.6 The authorised limit is consistent with the authority's current commitments, plans and proposals for capital expenditure and it's financing. **However the overall authorised limit is not to be exceeded without prior Council approval.**

- 5.7 The operational boundary is based upon the same estimates as the authorised limit but without the headroom included within the authorised limit to allow for unusual cash movements. As with the authorised limit, the Council is asked to delegate authority to the Chief Finance Officer to effect movement between the separately agreed limits for borrowing and other long-term liabilities. The operational boundary can be exceeded in exceptional circumstances without prior Council approval providing that it remains within the authorised limit.
- 5.8 The City Council's current limits for maximum levels of fixed and variable rate funding are both 100% and this is as recommended by the treasury advisers.
- 5.9 Prudence and Sustainability
The City Council has adopted the CIPFA Code of Practice on Treasury Management in the Public Services and adopted the 2011 version of the Code in February 2012.
- The current minimum level of specified investments is set at 50%. It is recommended that this level be continued into 2017/18.
- 5.10 Monitoring of the Prudential Indicators will be incorporated into the quarterly Treasury Transaction reports presented to the Executive.

6. PROSPECTS FOR INTEREST RATES

- 6.1 The Council has appointed Capita Asset Services Treasury Services as a treasury adviser to the Council and part of their service is to assist the Council to formulate a view on interest rates. The following table gives the Capita Asset Services view although it should be noted that there are some very differing views among the various economic forecasters regarding the future pattern of these rates:

	Dec'16	Mar'17	Jun'17	Sep'17	Dec'17	Mar'18	Jun'18	Sep'18	Dec'18	Mar'19	Jun'19
Bank Rate	0.25%	0.25%	0.25%	0.25%	0.25%	0.25%	0.25%	0.25%	0.25%	0.25%	0.50%

- 6.2 The Monetary Policy Committee, (MPC), cut Bank Rate from 0.50% to 0.25% on 4th August in order to counteract what it forecast was going to be a sharp slowdown in growth in the second half of 2016. It also gave a strong steer that it was likely to cut Bank Rate again by the end of the year. However, economic data since August has indicated much stronger growth in the second half 2016 than that forecast; also, inflation forecasts have risen substantially as a result of a continuation of the sharp

fall in the value of sterling since early August. Consequently, Bank Rate was not cut again in November and, on current trends, it now appears unlikely that there will be another cut, although that cannot be completely ruled out if there was a significant dip downwards in economic growth. During the two-year period 2017 – 2019, when the UK is negotiating the terms for withdrawal from the EU, it is likely that the MPC will do nothing to dampen growth prospects, (i.e. by raising Bank Rate), which will already be adversely impacted by the uncertainties of what form Brexit will eventually take. Accordingly, a first increase to 0.50% is not tentatively pencilled in, as in the table above, until quarter 2 2019, after those negotiations have been concluded, (though the period for negotiations could be extended). However, if strong domestically generated inflation, (e.g. from wage increases within the UK), were to emerge, then the pace and timing of increases in Bank Rate could be brought forward.

Economic and interest rate forecasting remains difficult with so many external influences weighing on the UK. The above forecasts, (and MPC decisions), will be liable to further amendment depending on how economic data and developments in financial markets transpire over the next year. Geopolitical developments, especially in the EU, could also have a major impact. Forecasts for average investment earnings beyond the three-year time horizon will be heavily dependent on economic and political developments.

The overall longer run trend is for gilt yields and PWLB rates to rise, albeit gently. It has long been expected that at some point, there would be a start to a switch back from bonds to equities after a historic long term trend over about the last twenty five years of falling bond yields. The action of central banks since the financial crash of 2008, in implementing substantial quantitative easing purchases of bonds, added further impetus to this downward trend in bond yields and rising prices of bonds. The opposite side of this coin has been a rise in equity values as investors searched for higher returns and took on riskier assets. The sharp rise in bond yields since the US Presidential election, has called into question whether, or when, this trend has, or may, reverse, especially when America is likely to lead the way in reversing monetary policy. Until 2015, monetary policy was focused on providing stimulus to economic growth but has since started to refocus on countering the threat of rising inflationary pressures as strong economic growth becomes more firmly established. The expected substantial rise in the Fed. rate over the next few years may make holding US bonds much less attractive and cause their prices to fall, and therefore bond yields to rise. Rising bond yields in the US would be likely to exert some upward pressure on bond yields in other developed countries but the degree of that upward pressure is likely to be dampened by how strong, or weak, the prospects for economic growth and rising inflation are in each country, and on the degree of progress in the reversal of monetary policy away from quantitative easing and other credit stimulus measures.

PWLB rates and gilt yields have been experiencing exceptional levels of volatility that have been highly correlated to geo-political, sovereign debt crisis and emerging market developments. It is likely that these exceptional levels of volatility could continue to occur for the foreseeable future.

The overall balance of risks to economic recovery in the UK is to the downside, particularly in view of the current uncertainty over the final terms of Brexit and the timetable for its implementation.

Apart from the above uncertainties, **downside risks to current forecasts** for UK gilt yields and PWLB rates currently include:

- Monetary policy action by the central banks of major economies reaching its limit of effectiveness and failing to stimulate significant sustainable growth, combat the threat of deflation and reduce high levels of debt in some countries, combined with a lack of adequate action from national governments to promote growth through structural reforms, fiscal policy and investment expenditure.
- Major national polls:
 - Italian constitutional referendum 4.12.16;
 - Spain has a minority government with only 137 seats out of 350 after already having had two inconclusive general elections in 2015 and 2016. This is potentially highly unstable.
 - Dutch general election 15.3.17;
 - French presidential election April/May 2017;
 - French National Assembly election June 2017;
 - German Federal election August – October 2017.
- A resurgence of the Eurozone sovereign debt crisis, with Greece being a particular problem, and stress arising from disagreement between EU countries on free movement of people and how to handle a huge influx of immigrants and terrorist threats
- Weak capitalisation of some European banks, especially Italian.
- Geopolitical risks in Europe, the Middle East and Asia, causing a significant increase in safe haven flows.
- UK economic growth and increases in inflation are weaker than we currently anticipate.
- Weak growth or recession in the UK's main trading partners - the EU and US.

The potential for **upside risks to current forecasts** for UK gilt yields and PWLB rates, especially for longer term PWLB rates, include: -

- UK inflation rising to significantly higher levels than in the wider EU and US, causing an increase in the inflation premium in gilt yields.

- A rise in US Treasury yields as a result of Fed. funds rate increases and rising inflation expectations in the USA, dragging UK gilt yields upwards.
- The pace and timing of increases in the Fed. funds rate causing a fundamental reassessment by investors of the relative risks of holding bonds as opposed to equities and leading to a major flight from bonds to equities.
- A downward revision to the UK's sovereign credit rating undermining investor confidence in holding sovereign debt (gilts).

Investment and borrowing rates

- Investment returns are likely to remain low during 2017/18 and beyond;
- Borrowing interest rates have been on a generally downward trend during most of 2016 up to mid-August; they fell sharply to historically phenomenally low levels after the referendum and then even further after the MPC meeting of 4th August when a new package of quantitative easing purchasing of gilts was announced. Gilt yields have since risen sharply due to a rise in concerns around a 'hard Brexit', the fall in the value of sterling, and an increase in inflation expectations. The policy of avoiding new borrowing by running down spare cash balances, has served well over the last few years. However, this needs to be carefully reviewed to avoid incurring higher borrowing costs in later times when authorities will not be able to avoid new borrowing to finance capital expenditure and/or to refinance maturing debt;
- There will remain a cost of carry to any new long-term borrowing that causes a temporary increase in cash balances as this position will, most likely, incur a revenue cost - the difference between borrowing costs and investment returns.

7. **BORROWING STRATEGY**

7.1 The Capita Asset Services forecast for the PWLB new borrowing rate (repayment at Maturity) is as follows:

	Dec'16	Mar'17	Jun'17	Sep'17	Dec'17	Mar'18	Jun'18	Sep'18	Dec'18	Mar'19	Jun'19
5 Yr PWLB	1.60%	1.60%	1.60%	1.60%	1.60%	1.70%	1.70%	1.70%	1.80%	1.80%	1.90%
10Yr PWLB	2.30%	2.30%	2.30%	2.30%	2.30%	2.30%	2.40%	2.40%	2.40%	2.50%	2.50%
25Yr PWLB	2.90%	2.90%	2.90%	2.90%	3.00%	3.00%	3.00%	3.10%	3.10%	3.20%	3.20%
50Yr PWLB	2.70%	2.70%	2.70%	2.70%	2.80%	2.80%	2.80%	2.90%	2.90%	3.00%	3.00%

7.2 The Council is, as stated above, not currently expecting to have any recourse to borrowing externally in 2017/18 and although significant capital expenditure on new leisure facilities is anticipated in 2018/19 with this to be funded from borrowing, the use of internal resources, i.e. surplus investment balances may be more affordable in the short term with low investment returns forecast until 2019/20. Approval was given as part of the Capital Strategy approved in September 2016, for the Section 151 Officer to undertake external borrowing at a time it was felt to be most appropriate, taking into account forecasts for potential rises in interest rates and utilising any favourable borrowing rates. It is anticipated that a combination of capital grants and internal resources will be used to meet most, if not all, capital commitments in the new financial year. Nevertheless, the use of external borrowing is planned for future years. This is particularly the case in respect of future major capital projects which are planned to require an element of external borrowing as a part of the total funding package. The Chief Finance Officer will therefore continue to monitor the interest rate market as regards borrowing opportunities as well as in respect of investment policy.

7.3 Policy on borrowing in advance of need

7.3.1 The Council will not borrow more than or in advance of its needs purely in order to profit from the investment of the extra sums borrowed. Any decision to borrow in advance will be within forward approved Capital Financing Requirement estimates, and will be considered carefully to ensure that value for money can be demonstrated and that the Council can ensure the security of such funds. As part of the Capital Strategy approved by Council in September, approval in principle was given to borrowing in advance of need for the re-financing of the stock issue loan if interest rates were favourable and would be cost effective over the term of any new loan.

7.4 External v. Internal Borrowing

7.4.1 This Council currently has a difference between gross debt and net debt (after deducting cash balances). This is shown in the graphs at 5.3 and shows an over-borrowed position with the surplus invested in cash balances.

7.4.1 The general aim of this treasury management strategy is to reduce the difference between the two debt levels over the next three years in order to reduce the credit risk incurred by holding investments. However, measures taken in the last year have already reduced substantially the level of credit risk (see paragraph 9) so another factor which will be carefully considered is the difference between borrowing rates and investment rates to ensure the Council obtains value for money

once an appropriate level of risk management has been attained to ensure the security of its investments.

- 7.4.2 The next financial year will continue to be one of historically abnormally low Bank Rate. This provides a continuation of the current window of opportunity for local authorities to fundamentally review their strategy of undertaking new external borrowing.
- 7.4.3 Over the next three years, investment rates are therefore expected to be below long term borrowing rates and so value for money considerations would indicate that value could best be obtained by avoiding new external borrowing and by using internal cash balances to finance new capital expenditure or to replace maturing external debt (this is referred to as internal borrowing). This would maximise short term savings.
- 7.4.4 However, short term savings by avoiding new long term external borrowing in 2017/18 will also be weighed against the potential for incurring additional long term extra costs by delaying unavoidable new external borrowing until later years when PWLB long term rates are forecast to be significantly higher.
- 7.3.6 Against this background caution will be adopted with the 2017/18 treasury operations. The Chief Finance Officer will monitor the interest rate market and adopt a pragmatic approach to changing circumstances, reporting any decisions to the appropriate decision making body at the next available opportunity.

8. DEBT RESCHEDULING

- 8.1 There is unlikely to be much scope for debt rescheduling in either the current financial year or in 2017/18. Only one substantial sum of long term debt remains on the authority's books. This is the £15m stock issue which dates from 1995 and is not due to mature until 2020. The current view is that a premature repayment is not recommended because of the size of the premium payment that would be incurred. The position remains under review, however, if circumstances should change and may become more favourable the closer it gets to natural maturity dates.

9. INVESTMENT STRATEGY

9.1 Principles

- 9.1.1 The City Council will have regard to CLG's Guidance on Local Government Investments and the 2011 revised CIPFA's Treasury Management in Public Services Code of Practice and Cross Sectoral Guidance Notes ("CIPFA TM Code").

- 9.1.2 The Council's investment priorities are:
- The security of capital
 - The liquidity of its investments
- 9.1.3 The Council will also endeavour to achieve the optimum return on its investments commensurate with proper levels of security and liquidity. Security of principal will always be the primary consideration. The risk appetite of this Council is low in order to give priority to security of its investments.
- 9.1.4 The borrowing of monies purely to invest or to on lend and make a return is unlawful and the Council will not engage in any such activity. Any borrowing in advance of need will only be undertaken after a full financial assessment of the costs and benefits of drawing down any such funding.
- 9.1.5 Investment instruments identified for use in the financial year are listed below under the 'Specified' and 'Non Specified' Investment categories. Individual counterparty limits will be set through the Council's Treasury Management Practices – Schedules which will be authorised by the Chief Finance Officer.
- 9.1.6 Total investments with any one counterparty or group currently will not exceed £4m to ensure a reasonable spread of investments in terms of counterparties. Investments with HSBC shall not exceed £6m. However, Lloyds group and RBS Group will not exceed £8m as these establishments are currently funded by a majority shareholding by the UK Government.
- 9.1.7 This Annual Investment Strategy states which instruments the Council may use for the prudent management of its treasury balances during the financial year under the headings of **Specified Investments** and **Non Specified Investments**. These are listed in **Appendix B**. Essentially, specified investments are those with a maturity of up to one year which have a suitable credit rating or are otherwise guaranteed e.g. by HM Government. All other investments are non-specified.
- 9.1.8 Credit ratings will be used as one means of assessing the credit quality of rated counterparties although it is recognised that reliance should not be placed on credit rating alone. The minimum short term rating for a bank will be either F1 (Fitch) or P1 (Moody's). For a rated UK building society, a similar rating would be anticipated although the proposed criteria do give authority to the Chief Finance Officer to approve, if considered appropriate, the addition of other building societies with both a F2 (Fitch) and a P2 rating (Moody's). This is still a high quality credit rating but recognises the very strong record of the UK building society movement over many

years in protecting the capital of all depositors. The Strategy already allows discretion to the Chief Finance Officer to include as counterparties non credit rated building societies whose assets total at least £1bn. There are some six societies in this category. Any such investment would be subject to an assessment of such a society as a suitable counterparty. There are, for example, good reasons why many building societies do not have a credit rating but there are other means of making an appropriate financial judgment.

9.1.9 Following approval in 2014/15, the Council now makes use of the CCLA Property Fund for longer term investments, and at present has invested £3m into this fund. The anticipated yield from this investment is assumed to be 4.75% in the MTFP.

9.1.10 Any investments with institutions that do not have a credit rating e.g. many smaller building societies or investments for periods over one year would be classed as non specified investments. **However it is important to stress that both the specified and non specified investments in Appendix B are perfectly legal instruments in which the City Council may invest.** This includes for example many building societies as only the larger societies have an individual credit rating although there are other criteria by which a judgement can be made as to their credit quality.

9.1.11 The minimum percentage of its overall investments that the Council will hold in specified investments is 50%.

9.2 Investment Strategy

9.2.1 With bank base rate at 0.25% and not generally expected to fluctuate significantly from this level until at least the middle of 2019, investment conditions will continue to be difficult. The view of Capita Asset Services is that bank rate will be at the following levels:

	Dec'16	Mar'17	Jun'17	Sep'17	Dec'17	Mar'18	Jun'18	Sep'18	Dec'18	Mar'19	Jun'19
Bank Rate	0.25%	0.25%	0.25%	0.25%	0.25%	0.25%	0.25%	0.25%	0.25%	0.25%	0.50%

9.2.2 Clearly, these projections can only be best estimates at this stage and the risk is to the downside i.e. if the economic recovery is slower than expected, then interest rates are like to rise more slowly. At this stage, the budget for 2017/18 has assumed an average yield of 0.46% on its investments (excluding CCLA Property Fund) in the next financial year. This allows for the fact that there are some higher value, longer term investments placed. This forecast will, however, be reviewed

further during the budget cycle. Every 0.1% fall in average yield will cost the Council approximately £35,000. The anticipation of interest yielded from investing in the Property Fund is estimated at 4.75% in the MTFP.

9.2.3 In this situation, the authority will continue to try and seek value in its investments by placing them out for longer periods where possible e.g. six months to one year, to meet future cash flow needs, subject to retaining some sums for shorter periods to meet liquidity requirements and also to take advantage of any particular investment opportunities. Much of the basic framework of the authority's cash flows is already known for the next financial year and use will be made of this information in determining investment periods. The money market is monitored daily and use will be made of a plurality of sources of financial information in determining investment opportunities. All investments will be placed only with institutions that conform to the criteria set out in the Investment Strategy.

9.2.4 The investment income budget will, as ever, be carefully monitored in the coming financial year and reported to members via the regular Treasury Transactions reports.

9.3 End of Year Investment Report

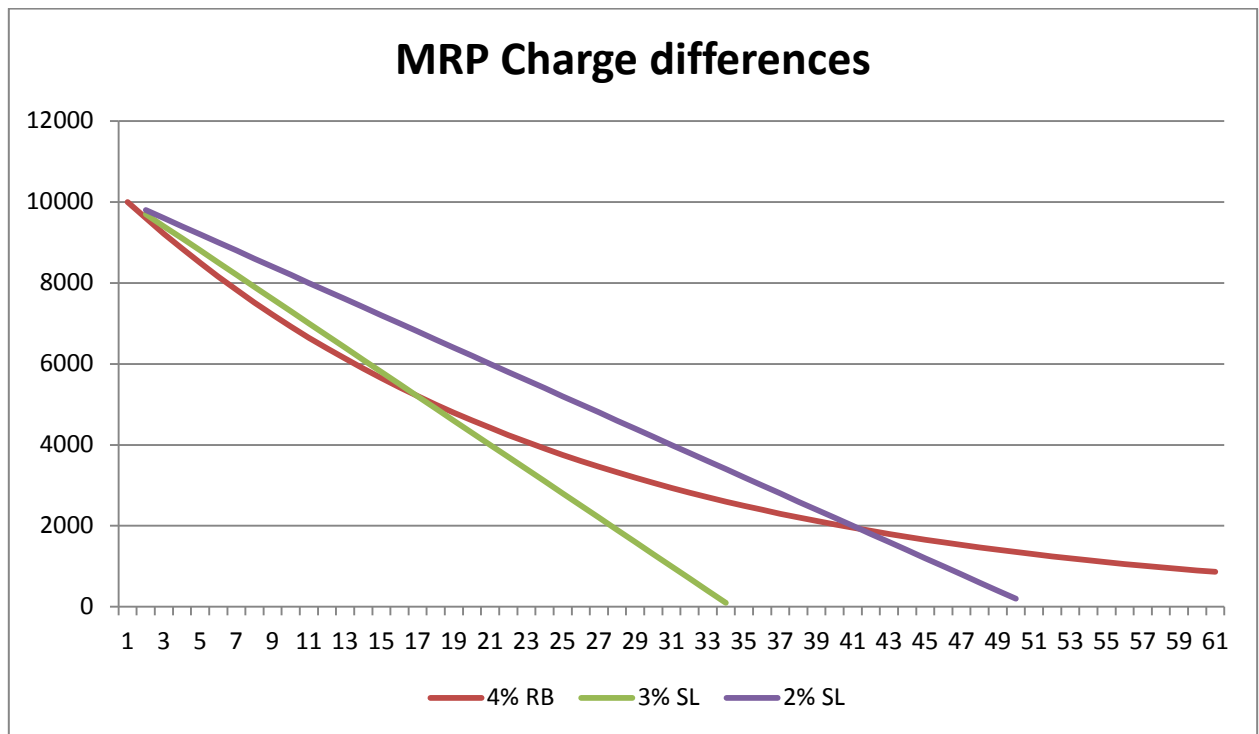
In line with current practice, the Council will receive a report on its investment activity as part of the Annual Treasury Report at the end of the financial year. It should also be noted that best practice now requires a mid year report on the treasury function. This has long been the practice within the City Council where quarterly reports are presented to the Executive. In addition, the Audit Committee has taken on the role of the 'strategic committee' that oversees treasury matters.

10. THE MINIMUM REVENUE PROVISION STRATEGY

10.1 The Council implemented the new Minimum Revenue Provision (MRP) guidance in 2008/09, and will assess their MRP for 2017/18 in accordance with the main recommendations contained within the guidance issued by the Secretary of State under section 21(1A) of the Local Government Act 2003.

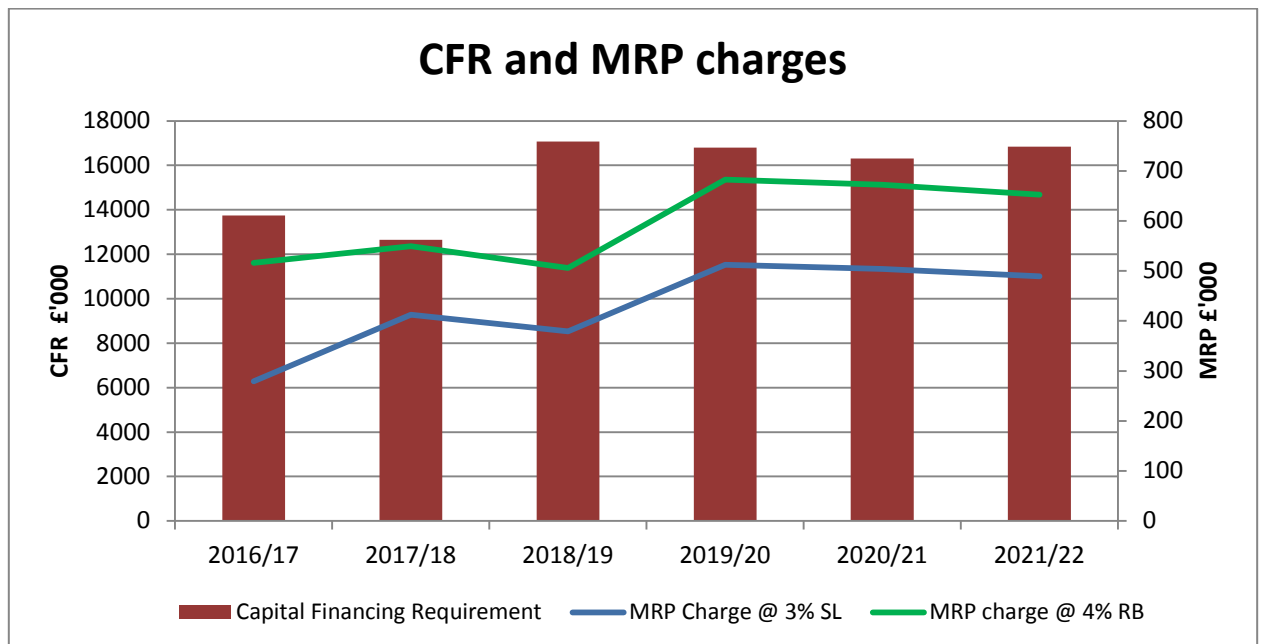
10.2 No requirement is currently anticipated to undertake any long term borrowing in either 2016/17 or 2017/18 although the authority will need at this stage to keep its options open and there are plans for borrowing to support future capital investment in leisure facilities in 2018/19. This is particularly so if any major capital project requires an element of long term borrowing as part of the overall funding package.

- 10.3 Notwithstanding this possibility, the City Council is still obliged to make proper provision for the repayment of its outstanding debt. Capital expenditure is generally expenditure on assets which have a life expectancy of more than one year e.g. land, buildings, vehicles etc. It would usually be impractical to charge the entirety of such expenditure, which is often funded by borrowing, to the revenue account in the year it was incurred. Instead, this is spread over a longer period to try and match the years over which these assets will benefit the community. The manner of spreading these costs is through the Minimum Revenue Provision (MRP). Until recently, the MRP was calculated according to detailed and complex regulations. It is now determined under Guidance.
- 10.4 The only statutory duty that a local authority has under the new MRP regime is '*to determine for the current financial year an amount of minimum revenue provision that it considers to be prudent*'. The Guidance, which authorities must 'have regard to' provides four options for calculating the MRP as set out below. It is important to realise, however, that there is no obligation to follow any of these options and that it is up to each authority to decide upon the most appropriate method of making a prudent provision, having had regard to the Guidance.
- 10.5 With the guidance in mind, the Council commissioned Capita Asset Services to review its MRP policy. This was completed earlier in 2016 and the recommendation from the report is to move from a 4% reducing balance method of MRP charge to a 3% or 2% Straight Line method. One of the points highlighted in the report is that a 4% reducing balance method, never actually extinguishes the debt liability entirely, and debt is continued to be repaid even some 70 years later. Switching to a straight line method of applying MRP charges would match the debt liability to an average asset life and would see the liability repaid at a definite point in time. The differences are shown in the illustrative chart below:



10.6 A 3% charge would more reflect an average life of Council assets of 33 years and since it has a mix of short life assets such as vehicles (typical life 5-10 years) and long life assets such as land and buildings (typical life 40-50 years) this is deemed to be a prudent approach to take.

10.7 In 2016/17, the opening CFR was £12.897million which will result in an MRP of £516,000 (4% of the CFR) in this financial year. The chart below shows the anticipated CFR in future years as well as the MRP charge based on a 3% straight Line method.



APPROVED INVESTMENT INSTRUMENTS

Specified Investments

All such investments will be sterling denominated, with **maturities up to maximum of 1 year**, meeting the minimum 'high' rating criteria where applicable. **A maximum of £4m of the investment portfolio** will be placed with any one counterparty or banking group, or a maximum of **£8m of the investment portfolio for Lloyds Group banks and RBS Group Banks and £6m with HSBC Bank (with £2m being limited to investments less than 1 month in duration)** whether by way of specified or non-specified investments except for building societies without a credit rating where **the limit will be £2m**.

Fixed Term Deposits with fixed rates and maturities:-	Minimum 'High' Credit Criteria	Use
Debt Management Agency Deposit Facility	Government backed	In-house
Term deposits – local authorities	--High level of security	In-house
Term deposits – U K banks**	Short-term F1 (Fitch) or P1(Moodys)	In-house
Term Deposits – UK building societies**	Short Term F1 (Fitch) or P1 (Moodys) or as determined by the Chief Finance Officer	In-house
Term Deposits – Non UK Banks	Sovereign Rating AAA Short Term F1 (Fitch) or P1 (Moodys) or as determined by the Chief Finance Officer	In-house
Fixed term deposits with variable rate and variable maturities: -	Minimum 'High' Credit Criteria	Use
Callable deposits	Short-term F1 (Fitch) or P1 (Moodys)	In-house
Certificates of deposits issued by UK banks and building societies	Short-term F1 (Fitch) or P1 (Moodys)	In-house buy and hold
UK Government Gilts	Government backed	In-house buy and hold
Bonds issued by multilateral development banks	AAA	In-house on a 'buy-and-hold' basis.
Bonds issued by a financial institution which is guaranteed by the UK government	AAA	In-house on a 'buy-and-hold' basis.
Collective Investment Schemes structured as Open Ended Investment Companies (OEICs): -	Minimum 'High' Credit Criteria	Use
1. Money Market Funds	Short-term AAA	In-house
2. Enhanced Cash Funds	Short-term AAA	In-house
3. Government Liquidity Funds	Short-term AAA	In-house

** If forward deposits are to be made, the forward period plus the deal period should not exceed one year in aggregate.

Non-Specified Investments:

A maximum of 50% will be held in aggregate in non-specified investments

1. Maturities of ANY period.

	Minimum Credit Criteria	Use	Max % of total investments	Max. maturity period
Term deposits with non credit rated UK Building Societies	As approved by the Chief Finance Officer. Minimum asset base of £1bn	In-house	50	364 days

2. Maturities in excess of 1 year

	Minimum Credit Criteria	Use	Max % of total investments	Max. maturity period
Term deposits – local authorities	Any authority	In-house	50	3 Years
Term deposits – UK banks and building societies	Long-term A (Fitch) or A2 (Moody's)	In-house	50	3 Years
Fixed term deposits with variable rate and variable maturities	Minimum Credit Criteria	Use	Max % of total investments	Max. maturity period
Certificates of deposits issued by UK banks and building societies	Long-term A (Fitch) or A2 (Moody's)	In house on a 'buy and hold basis'	50	3 Years
UK Government Gilts	Government backed	In house on a 'buy and hold basis'	50	3 Years
Bonds issued by multilateral development banks	AAA	In-house on a 'buy-and-hold' basis.	50	3 Years
Bonds issued by a financial institution which is guaranteed by the UK government	AAA	In-house on a 'buy-and-hold' basis.	50	3 Years
Collective Investment Schemes structured as Open Ended Investment Companies (OEICs)	Minimum Credit Criteria	Use	Max % of total investments	Max. maturity period
1. Bond Funds	Long-term AAA	In-house	50	3 Years
2. Gilt Funds	Long-term AAA	In-house	50	3 Years

3. Approved Property Funds

	Use	Max % of total investments	Max. maturity period
CCLA Property Fund	In-house as determined by the Chief Finance Officer	50	No maximum

The Council uses Fitch (primarily) or Moody's ratings to derive its counterparty criteria. All credit ratings will be monitored monthly. The Council is alerted to changes in credit ratings through its use of the Sector creditworthiness service. If a downgrade results in the counterparty/investment scheme no longer meeting the Council's minimum criteria, its further use as a new investment will be withdrawn immediately.

INTEREST RATE FORECASTS

The data below shows a variety of forecasts published by Capita Asset Services and Capital Economics. The forecast within this strategy statement has been drawn from these diverse sources and officers' own views. Revised forecasts will be provided when they become available.

1. INDIVIDUAL FORECASTS

Capita Asset Services Interest Rate View													
	Dec-16	Mar-17	Jun-17	Sep-17	Dec-17	Mar-18	Jun-18	Sep-18	Dec-18	Mar-19	Jun-19	Dec-19	Mar-20
Bank Rate View	0.25%	0.25%	0.25%	0.25%	0.25%	0.25%	0.25%	0.25%	0.25%	0.25%	0.50%	0.75%	0.75%
3 Month LIBID	0.30%	0.30%	0.30%	0.30%	0.30%	0.30%	0.30%	0.30%	0.40%	0.50%	0.60%	0.80%	0.90%
6 Month LIBID	0.40%	0.40%	0.40%	0.40%	0.40%	0.40%	0.40%	0.40%	0.50%	0.60%	0.70%	0.90%	1.00%
12 Month LIBID	0.70%	0.70%	0.70%	0.70%	0.70%	0.70%	0.80%	0.80%	0.90%	1.00%	1.10%	1.30%	1.40%
5yr PWLB Rate	1.60%	1.60%	1.60%	1.60%	1.60%	1.70%	1.70%	1.70%	1.80%	1.80%	1.90%	2.00%	2.00%
10yr PWLB Rate	2.30%	2.30%	2.30%	2.30%	2.30%	2.30%	2.40%	2.40%	2.40%	2.50%	2.50%	2.60%	2.70%
25yr PWLB Rate	2.90%	2.90%	2.90%	2.90%	3.00%	3.00%	3.00%	3.10%	3.10%	3.20%	3.20%	3.30%	3.40%
50yr PWLB Rate	2.70%	2.70%	2.70%	2.70%	2.80%	2.80%	2.80%	2.90%	2.90%	3.00%	3.00%	3.10%	3.20%
Bank Rate													
Capita Asset Services	0.25%	0.25%	0.25%	0.25%	0.25%	0.25%	0.25%	0.25%	0.25%	0.25%	0.50%	0.75%	0.75%
Capital Economics	0.25%	0.25%	0.25%	0.25%	0.25%	0.25%	0.25%	0.25%	0.25%	0.25%	0.25%	0.50%	0.75%
5yr PWLB Rate													
Capita Asset Services	1.60%	1.60%	1.60%	1.60%	1.60%	1.70%	1.70%	1.70%	1.80%	1.80%	1.90%	2.00%	2.00%
Capital Economics	1.60%	1.70%	1.80%	1.90%	1.95%	2.05%	2.20%	2.30%	2.40%	2.60%	2.80%	3.20%	3.30%
10yr PWLB Rate													
Capita Asset Services	2.30%	2.30%	2.30%	2.30%	2.30%	2.30%	2.40%	2.40%	2.40%	2.50%	2.50%	2.60%	2.70%
Capital Economics	2.30%	2.35%	2.45%	2.50%	2.55%	2.60%	2.70%	2.70%	2.80%	3.00%	3.20%	3.60%	3.70%
25yr PWLB Rate													
Capita Asset Services	2.90%	2.90%	2.90%	2.90%	3.00%	3.00%	3.00%	3.10%	3.10%	3.20%	3.20%	3.30%	3.40%
Capital Economics	2.90%	3.00%	3.05%	3.10%	3.15%	3.25%	3.30%	3.35%	3.45%	3.55%	3.75%	4.15%	4.35%
50yr PWLB Rate													
Capita Asset Services	2.70%	2.70%	2.70%	2.70%	2.80%	2.80%	2.80%	2.90%	2.90%	3.00%	3.00%	3.10%	3.20%
Capital Economics	2.80%	2.85%	2.95%	3.00%	3.05%	3.10%	3.15%	3.20%	3.30%	3.50%	3.70%	4.10%	4.20%

TREASURY MANAGEMENT POLICY STATEMENT

Carlisle City Council defines treasury management as:

“The management of the organisation’s cash flows, its banking, money market and capital market transactions; the effective control of the risks associated with those activities; and the pursuit of optimum performance consistent with those risks.”

Carlisle City Council regards the successful identification, monitoring and control of risk to be the prime criteria by which the effectiveness of its treasury management activities will be measured. Accordingly, the analysis and reporting of treasury management activities will focus on their risk implications for the authority.

Carlisle City Council acknowledges that effective treasury management will provide support towards the achievement of its business and service objectives. It is therefore committed to the principles of achieving best value in treasury management, and to employing suitable performance measurement techniques, within the context of effective risk management.

**EXCERPT FROM THE MINUTES OF THE
COMMUNITY OVERVIEW AND SCRUTINY PANEL
HELD ON 24 NOVEMBER 2016**

COSP.79/16 BUDGET 2017/18 – 2021/22

(b) Review of Charges 2017/18 –

The Chief Finance Officer presented the Review of Charges reports informing the Panel that there was a 3% increase on the overall level of income in line with the Corporate Charging Policy.

Community Services

Report SD.27/16 was submitted setting out the proposed fees and charges for 2017/18 relating to those services falling within the Community Services Directorate.

The charges highlighted within the report would result in an anticipated level of income of £2,775,200 against the MTFP target of £2,835,200. That represented a shortfall of £60,000 against the MTFP target. The Panel were asked to consider the areas which were in their remit as set out on the agenda.

The Executive had on 21 November 2016 (EX.99/16) received the report and:

“That the Executive:

- (i) Agreed for consultation the charges as set out in the body of Report SD.27/16 and relevant appendices with effect from 1 April 2017, noting the impact those would have on income generation as detailed within the report.
- (ii) Delegated to the Deputy Chief Executive Officer, following consultation with the Portfolio Holder and Chief Finance Officer, the agreement of discounts on the car parking permit process within agreed limitations.
- (iii) Delegated to the Deputy Chief Executive Officer, following consultation with the Portfolio Holder and Chief Finance Officer, the agreement of variations to car parking ticket charges within parameters agreed by the Executive.”

In considering the report Members raised the following comments and questions:

- In response to a question the Chief Finance Officer explained that the decision to remove grants to Parish Councils had been taken as part of the 2016/17 budget process. The concurrent grants had now been removed apart from those Parishes which had burial sites.

- A Member highlighted the increase in the allotment fees commenting that the increase of 20% was much higher than the Corporate Charging Policy's 3%. Members also questioned the rationale behind the removal of the over 60 discount when the Council was trying to encourage more active lifestyles. It was felt that the change could cause issues for some people.

The Deputy Chief Executive responded that there had been a change in the trend for allotments and a wide range of age groups now used allotments. It was felt that the allotments should be kept affordable and a fair standard fee applied to all allotments. There was no intention to isolate people over 60 but there had been a shift in the demographic.

- Would the move to leasing football pitches on a peppercorn rent prevent other users having access to the pitches?

The Deputy Chief Executive explained that the move to giving clubs the option to leasing a pitch on peppercorn was to encourage clubs to carry out more of the preparation and maintenance of the pitches themselves. The lease would mean that the pitch was the club's for their use during the season for the length of the booking. The pitches could still be accessed at other times. He added that the fees for the football pitches had never met the cost of the maintenance of the pitches and was therefore subsidised by the Council.

- Had the review of the charges for the Old Fire Station come from market demand?

The Contracts and Community Services Manager confirmed that the review had been based on supply and demand and the increase to evening hire prices had reflected the break that was required in the programme of events to accommodate private parties.

RESOLVED –1) That the Review of Charges 2017/18 – Community Services (SD.27/16) be received.

2) That a report be brought to a future meeting of the Panel on the concurrent grants to Parish Councils.

Governance and Regulatory Services

Report GD.62/16 was submitted concerning the proposed fees and charges for areas falling within the responsibility of the Governance and Regulatory Services Directorate.

The report set out the proposed charges relative to Environmental Health and Housing; Homeless, Prevention and Accommodation Services; and Legal Services. The introduction of the proposed charges was forecast to generate income of £893,300 in 2017/18 as summarised in the table at Section 5.16 of the report.

The Executive had on 21 November 2016 (EX.101/16) received the report and:

“That the Executive agreed for consultation the charges as detailed within Report GD.62/16 and accompanying Appendices, with effect from 1 April 2017; and noted the impact thereof on income generation as detailed within the report.”

RESOLVED – That the Review of Charges 2017/18 – Governance and Regulatory Services (GD.62/16) be noted.

EXCERPT FROM THE MINUTES OF THE ENVIRONMENT AND ECONOMY OVERVIEW AND SCRUTINY PANEL HELD ON 1 DECEMBER 2016

EEOSP.76/16 BUDGET 2017/18 – 2021/22

(b) Review of Charges 2017/18 – 2021/22

The Chief Finance Officer presented the Review of Charges reports informing the Panel that there was a 3% increase on the overall level of income in line with the Corporate Charging Policy.

Community Services

Report SD.27/16 was submitted setting out the proposed fees and charges for 2017/18 relating to those services falling within the Community Services Directorate.

The charges highlighted within the report would result in an anticipated level of income of £2,775,200 against the MTFP target of £2,835,200. That represented a shortfall of £60,000 against the MTFP target. The Panel were asked to consider the areas which were in their remit as set out on the agenda.

The Executive had on 21 November 2016 (EX.99/16) received the report and:

“That the Executive:

- (i) Agreed for consultation the charges as set out in the body of Report SD.27/16 and relevant appendices with effect from 1 April 2017, noting the impact those would have on income generation as detailed within the report.
- (ii) Delegated to the Deputy Chief Executive Officer, following consultation with the Portfolio Holder and Chief Finance Officer, the agreement of discounts on the car parking permit process within agreed limitations.
- (iii) Delegated to the Deputy Chief Executive Officer, following consultation with the Portfolio Holder and Chief Finance Officer, the agreement of variations to car parking ticket charges within parameters agreed by the Executive.”

In considering the report Members raised the following comments and questions:

- How often did the Council levy a fee for the cancellation of events?

The Contracts and Community Services Manager explained that the fee levied for cancelling events was not used regularly as, in the main, the Council was advised of event cancellations well in advance. The levying of the charge was designed to prevent the Council losing money should an event be cancelled at short notice.

- What proportion of the event fee charge, was the cancellation fee?

The Contracts and Community Services Manager advised that the cancellation fee charged varied depending on the event and the length of notification provided to the Council.

In response to a further question from the Member, the Contracts and Community Services Manager advised Members that the in relation to events at the Old Fire Station, specific contractual arrangements relating to particular events outlined the details of charges that were able to be levied by either party in the event of cancellation.

- Did the Council apply its charges for pavement cafes when the cafes were on private land?

The Contracts and Community Services Manager advised that the charge for pavement cafes was only levied when the café was situated on the highway, and was not applied where the café was situated on private land.

- What was the rationale for the level of increase proposed for the Annual Membership Parking Permit at Talkin Tarn?

The Green Spaces Manager stated that uptake of the Annual Membership Parking Permit for Talkin Tarn had been very good, whilst recognising the proposed charge increase was significant in percentage terms, the cost of the proposed charge would enable those who purchased the permit to park use the car park at Talkin Tarn and its facilities for a cost of £2 per week.

The Member acknowledged that the proposed charge still amounted to good value for money for permit holders, however, he remained concerned that the increase would make the permit cost prohibitive for residents with a limited budget, and that the proposed charge may reduce the amount of people who purchased the permit.

The Chairman noted Appendix B of the report detailed proposals for increasing charges for car parking at all of the Council's car parks, he noted the proposed increase in charge for the Annual Membership Parking Permit was significant increase and beyond those proposed at other sites. Increases in charges had been proposed universally at Talkin Tarn and encompassed facilities such as the Education Hut, whereas no proposal had been put forward to levy a charge for the use of facilities at Hammond's Pond. He felt that the proposed addition of 10p to hourly tickets across the Council's car parks which levied different charges may cause some confusion amongst car park users.

The Green Spaces Manager responded that an aspect of the rationale behind the proposal was the management of the car park at Talkin Tarn, the Annual Membership Parking Permit operated well, and was in fact oversubscribed. In order to enable a broad mix of users of the car parking facilities at the Tarn, it was intended to limit the number of permits issued so that the car park remained able to cater for day use visitors.

A Member expressed concern that the proposed charge would increase the number of vehicles parking on the verges along the boundary of the site.

The Green Spaces Manager felt that the proposed charges was not likely to increase the number of vehicles parking on the verges surrounding Talkin Tarn, and that the behaviour of those using the verges surrounding the park would not be altered by the proposed charge.

- Why had Officers not proposed to increase the car parking charges at the Marks and Spencer car park?

The Contracts and Community Services Manager explained that the Council was in a contractual relationship regarding the management of the Marks and Spencer's car park which limited the Council's capacity to alter the charges levied at the car park.

- A Member sought clarification on the proposal to delegate authority to the Deputy Chief Executive to agree variations to car parking ticket charges.

The Corporate Director of Governance and Regulatory Services explained that as part of the Council seeking to implement a more commercial approach to the management of its car parks, it was recognised that prices may need to be altered to manage demand at individual car parks. The proposed charges set out in the report would not be exceeded, the proposal to delegate authority to the Deputy Chief Executive in conjunction with the Portfolio Holder and Chief Finance Officer would enable the authorisation of a reduction in fees at individual car parks, were it deemed expedient.

- A Member expressed concern that the proposed increase in allotment charges would be detrimental to those in low incomes.

The Green Spaces Manager responded that the charge for allotments had remained static for 2 number years at 25p/sqm, whilst recognising the proposed charges was an over-inflationary increase he considered that the proposed charge better reflected the cost to the Council of administering the service. The proposed charge when applied to 100.sqm plot would generate a £5 increase in cost for the allotment for a year, the Green Spaces Manager considered the increase to be of a reasonable level.

The Green Spaces Manager explained that poor health was a primary reason people gave up allotments, rather than cost, he suggested that if people struggled to manage their plot and wished to reduce the costs associated with them, allotments may be subdivided.

A Member commented that she considered the charges levied by the Council for allotments to be very reasonable when compared to prices charged in the private sector.

- A Member expressed concern that the proposed increase in charges for bulky waste collections would increase the number of fly tipping incidence in the District. He asked if Officers had considered increasing the number of items permitted per collection as a way to help minimise fly-tipping?

The Neighbourhood Services Manager responded that fly tipping was a criminal offence which was likely to occur were the bulky collection service offered free of charge. As part of

its efforts to reduce flytipping in the District, the Council had installed cameras in flytipping hotspots with the aim of catching and prosecuting perpetrators. The inclusion of signage at particular sites known to experience flytipping had brought about a 100% reduction in flytipping.

In addition, a featured had been included in the Council's Focus magazine providing residents with information regarding how to manage the disposal of waste items appropriately. This was welcomed by Members.

A Member commented that it would perhaps be helpful if small amounts of waste could be accepted by businesses at the local household waste recycling centres operated by Cumbria County Council and this message communicated widely to help reduce some of the fly-tipping.

RESOLVED – (1) That the comments and concerns of the Panel be referred to the Executive, in particular concerns regarding the Annual Permit for Talkin Tarn.

(2) That Charges Review Report 2017/18 – Community Services (SD.17/16) be noted.

Economic Development

Report ED.45/16 was submitted setting out the proposed fees and charges for areas falling within the responsibility of the Economic Development Directorate.

The proposed charges in relation to Planning Services included Development Control income; Building Control income; and Local Plan income.

Acceptance of the charges highlighted within the report, with the exception of Building Control which was self-financing, would result in an anticipated level of income of £662,600 against the Medium Term Financial Plan target of £662,600.

The Executive had on 21 November 2016 (EX.100/16) received the report and:

“That the Executive agreed for consultation the charges, as set out in Report ED.45/16 and accompanying Appendices, with effect from 1 April 2017; noting the impact those would have on income generation as detailed within the report.”

The Members raised no comments and questions on the report.

RESOLVED – That Charges Review Report 2017/18 – Economic Development (ED.45/16) be noted.

Governance and Regulatory Services

Report GD.62/16 was submitted concerning the proposed fees and charges for areas falling within the responsibility of the Governance and Regulatory Services Directorate.

The report set out the proposed charges relative to Environmental Health and Housing; Homeless, Prevention and Accommodation Services; and Legal Services. The introduction of

the proposed charges was forecast to generate income of £893,300 in 2017/18 as summarised in the table at Section 5.16 of the report.

The Executive had on 21 November 2016 (EX.101/16) received the report and:

“That the Executive agreed for consultation the charges as detailed within Report GD.62/16 and accompanying Appendices, with effect from 1 April 2017; and noted the impact thereof on income generation as detailed within the report.”

The Members raised no comments or questions on the report.

RESOLVED – That Charges Review Report 2017/18 – Governance and Regulatory Services (GD.62/16) be noted.

Report to Executive

Agenda
Item:

A.3

Meeting Date: 19th December 2016
Portfolio: Culture, Leisure and Heritage
Key Decision: Yes: Recorded in the Notice Ref:KD20/16
Within Policy and Budget Framework YES
Public / Private Public

Title: TULLIE HOUSE BUSINESS PLAN 2017/18
Report of: The Deputy Chief Executive
Report Number: SD33/16

Purpose / Summary:

This report introduces the Tullie House Museum and Art Gallery Trust 2017 - 2020 Business Plan.

The purpose of this report is to allow consideration of the Business Plan in order that the Council may in due course agree core funding for the Trust. This is in line with Section 5 of the Partnership Agreement signed at the establishment of the Trust that the Business Plan submitted by the Trust to the City Council should be used as the basis agreeing funding.

Recommendations:

The Executive is asked:

- (i) to consider the comments of the Community Overview and Scrutiny Panel on the Business Plan as detailed in the minute excerpt of their meeting on 24^h November 2016.
- (ii) to approve the Business Plan and recommend it for consideration and approval by Full Council in January 2017.

Tracking

Executive:	21/11/16
Overview and Scrutiny:	24/11/16
Council:	10/01/17

1. BACKGROUND

- 1.1 The Council on 14th December 2010 approved the principle of establishing a new Charitable Trust to run the Tullie House Museum and Art Gallery. Tullie House Museum and Art Gallery transferred from Carlisle City Council to an independent company on 5th May 2011.
- 1.2 The partnership agreement between Tullie House Trust and Carlisle City Council states that the core funding for future years granted from the Council to the Trust is set following consideration of a business plan submitted annually by the end of October.
- 1.3 The Partnership Agreement states that core funding should be agreed for a three year period (covered by a Business Plan submitted annually).
- 1.4 This report presents the Tullie House Business Plan for the period 2017/18 through to 2019/20.

2. PROPOSALS

- 2.1 Executive are asked to review the business plan ahead of confirming Core Funding levels for 2017/18 and the proposals for funding for the following two financial years.
- 2.2 Executive are also asked to seek the views and input of the Council's Community Overview and Scrutiny Panel on the content and proposals within the Tullie House Business Plan.

3. CONSULTATION

- 3.1 As outlined above Executive are asked to consult with the Council's Community Overview and Scrutiny Panel on the proposed Business Plan.

4. CONCLUSION AND REASONS FOR RECOMMENDATIONS

- 4.1 The recommendations allow this report, the associated Business Plan, and core funding to be approved in line with the Partnership agreement.

5. CONTRIBUTION TO THE CARLISLE PLAN PRIORITIES

- 5.1 "We will develop vibrant sports, arts and cultural facilities, showcasing the City of Carlisle."

Contact Officer: Darren Crossley

Ext: 7120

Appendices Tullie House Business Plan
attached to report:

Note: in compliance with section 100d of the Local Government (Access to Information) Act 1985 the report has been prepared in part from the following papers:

- **None**

CORPORATE IMPLICATIONS/RISKS:

Chief Executive's -

Deputy Chief Executive –

Economic Development –

Governance – The agreement between the Council and Tullie House Museum & Arts Gallery Trust requires that, as part of the grant funding process, the Trust submit a business plan for approval which both parties must use their best endeavours to agree by no later than 31 December of each year.

Local Environment –

Resources -

The MTFP assumes provision for the core funding of the Tullie House Trust in accordance with the Partnership and Funding agreement and includes reductions in core funding which have been previously agreed. In line with standard procedures, further work is required in respect of the inflation calculation for 2017/18 as well as clarification of any central support services required in future years; this work to be completed before the core funding is agreed by Council.

**TULLIE
HOUSE**

**MUSEUM AND
ART GALLERY
CARLISLE**

Draft Business Plan

2017/18 to 2019/

CONTENTS

	Page
1.0 FOREWORD	3
2.0 HIGHLIGHTS OF 2016/17	5
3.0 BUSINESS PLAN PRIORITIES for 2017 - 2020	9
4.0 MANIFESTO	12
5.0 MASTERPLAN FOR CAPITAL DEVELOPMENT	13
6.0 BUDGET POSITION FOR 2016/17	13

APPENDIX A – Manifesto

APPENDIX B – Budget

APPENDIX B – CMC / ACE Activity Plan 2015 to 2018

**APPENDIX D – Extract from the Partnership Funding Agreement & Carlisle City Council
Performance Monitoring**

1.0 FOREWORD

The Business Plan covers the three year cycle that responds to the funding profile agreed by the Trust with its principal funder, Carlisle City Council, in 2011. This Business Plan covers the following financial years: 2017/18, 2018/19 and 2019/20. It outlines the Trust's priorities for the period, and how our activities will meet our strategic objectives.

The Trust has received a firm indication from Carlisle City Council that no further reductions in the core grant are planned for the four years of the Council's Medium Term Financial Plan. This news is very welcome and allows for some stable planning and incremental growth which can be seen in the Priorities section of Business Plan. It will also provide assurances to other major funders such as Arts Council England (ACE) and the Heritage Lottery Fund (HLF). When the Trust was set up it was agreed that the business planning process would follow a rolling three-year cycle so that with each annual business plan it would only be necessary to agree the grant for year 3, the grants for the first and second years having been confirmed previously. This approach was to provide some certainty for short-to-medium-term planning, but had unfortunately to be set aside during the major grant reductions of 2014/15 and 2015/16. Now that these are behind us, it is hoped that the terms of the Funding Agreement can once again be followed.

Partnership working is fundamental to the success of the Trust so it is appropriate and timely for the City Council and the museum to be working collaboratively on a number of projects and new initiatives aimed at sustainability and/or raising the profile of culture within Carlisle. Equally, as the lead organisation for the Cumbria Museum Consortium (CMC) the Trust continues to have a strong relationship with ACE. 2017/18 is the third and final year of the Consortium's Major Partner Museum funding. ACE have announced their new investment plan for supporting museums beyond this period which involves museums merging with the existing arts based National Portfolio Organisations (NPO) to create arts and culture NPOs. The Consortium will be submitting an NPO application in January 2017 for this new four-year grant programme.

Financial year 2015/16 saw visitor numbers fall below 250,000 (230,000) for the first time in three years. Consequently, in 2016/17, we developed programmes aimed at providing something for all of our core audiences: in spring 2016 we had the Egyptian exhibition for our schools and adult audiences; in spring our new Viking gallery opened and, in the summer, this was complemented by a family friendly Deadly Dragons exhibition. In autumn we are putting in a Carlisle at War exhibition to respond to local audience interests. All of these exhibitions include / have included a wide ranging engagement programme designed to stimulate interest and appreciation of the central theme. At the time of writing this audience centred approach is showing an increase of almost 10,000 visitors over the same period (January to September), so although there are still three months of the calendar year remaining, the signs are promising (June to September figures in 2016 were all up on 2015). The end of year (March 2017) visitor numbers are currently projected to be around 240,000.

The Deadly Dragons exhibition and the Young Explorer's Gallery were designed to fully exploit the impact of the museum being the holder of the prestigious national Telegraph Family Friendly award. In addition to the exhibitions, events and marketing all focused on our family audience, a strategy which appears to have paid off. In the future the Trust is planning to develop this key audience further by seeking funding to create a permanent children's gallery.

Increasing the number of visitors to our premises is clearly very important but equally significant is the income we generate from these visitors and at present this is very low. We have been working hard to improve our spend-per-head and over the next three years we have committed to developing income streams so that, as an organisation, there will be much greater emphasis on developing earned revenue which clearly contributes to our financial sustainability. To this end sustainability and community engagement are our twin strategic priorities for the duration of this Business Plan.

In seeking to progress these two strategic priorities, we have set ambitious targets and have been working hard to change the culture of the organisation. We have improved the gathering and use of management information, created a performance team, focused on private investment and instilled a 'family business' ethos. It is early days but this new more focused approach is beginning to create an organisation that is better managed and more financially aware and, when harnessed with our Manifesto, is galvanising staff and Trustees to creatively develop measured but exciting plans for a promising future.

Clearly the future needs to be more financially sustainable but before we can grow significant income we need to invest in the core offer. The two are inextricably linked. The creation of the Roman Frontier Gallery in 2011 provided us with a view of what a modern museum should look like so we have revisited the 20:20 project (which was submitted to the Heritage Lottery Fund in 2014) and prepared our initial plans for an ambitious but realistic capital programme that supports the twin objectives of sustainability and community engagement. We will now seek to develop these plans with the Board and with our Carlisle City Council partners.

2016/17 was always going to be a tough year for the Trust. Not only have we responded to a significant reduction in our core funding by reducing our revenue budgets and cutting our workforce by 20%, but we have also moved a huge archaeological archive and introduced new caterers for the first time in 25 years. In a year of change we have also created a new leadership team and introduced some new Trustees.

None of this would have been possible without the tremendous support and dedication of the Trust staff, who have remained professional and completely focused throughout a very difficult period. We would also like to acknowledge the huge contribution our volunteers make to ensuring that the Trust provides such a great service to our public.

2.0 HIGHLIGHTS OF 2016/17

2016 saw our core funding from Carlisle City Council reduced by 19% following a 20% reduction the previous year. Radical and swift changes have had to be implemented to respond to the new landscape that this inevitably created. Our exhibition and events programme is planned approximately two years in advance so we have had to honour the commitment delivering an ambitious programme with less money and 20% fewer staff. This has been really challenging. Nevertheless our exhibitions this year have included the following:

Writing for Eternity: decoding Ancient Egypt – a touring exhibition from the British Museum that examines 4,000 years of writing through the context of the history of this ancient civilisation. The exhibition featured stunning objects and texts that help explore the role of the scribe in Egyptian culture, the history of writing for the afterlife and how, just like us, the Ancient Egyptians wrote letters, read poetry, negotiated business deals and documented their daily lives. As well as telling the stories of pharaohs, the elite and their scribes, the exhibition explores the lives of everyday people; builders, traders, farmers, nomads.

To complement this exhibition the museum borrowed a number of rare Egyptian artefacts from The Manchester Museum and showed these in our new Spotlight gallery alongside items from Tullie House's own collections.

Cumbrian Art: Picturing Places – was a major exhibition of Tullie House artwork that focused on the rural area around the city, the changing Lakeland landscape, and the Cumbrian coast. But the exhibition was not just about Carlisle – the show featured 90 works that illustrate the endeavours of artists – many local – from the earliest days of realistic landscape art to the sometimes unrealistic era of Photoshop. Among the works on show was the final – unfinished – work by Carlisle's most famous artist Sam Bough, found on his easel at the time of his death in 1878.

Tullie House transformed its first floor Exhibitions Gallery into a discovery play space called the **Young Explorer's Gallery** aimed at young people and inspired by the museum collections. The room was divided into four areas for children to get hands-on and creative in: Nature Play, History Play, Art Play and Soft Play. The exhibition was a pilot to explore the relatively new 'pay for play' concept and to see whether there is the audience to develop a more bespoke permanent gallery in the future. Visitor numbers were high and the feedback received has confirmed that the museum will seek funding to create a permanent play gallery in the near future.

In July Tullie House opened its doors to a temporary exhibition aimed at celebrating 100 years since the State took control of Carlisle pubs. **'The State Management Story'** was part of a wide

project commissioned by Carlisle City Centre Business Group with funding from the Heritage Lottery Fund. The exhibition featured many of the original glasses, bottles, tea sets and beer crates issued by the State Management Scheme alongside stories from local people who shared memories of working in the pubs or started their drinking under this scheme.

The museum's blockbuster family exhibition this summer: **A Viking's Guide to Deadly Dragons** is a touring exhibition developed by Seven Stories and popular children's author Cressida Cowell. It includes Cressida's original drawings, manuscripts and working processes from her hugely popular *How to Train Your Dragon* book series, which has also been made into a television and film series by DreamWorks animation. The exhibition was accompanied by a major events programme including a talk and book signing by Cressida Cowell herself, a Deadly Dragons Family Sleepover and a Deadly Dragons Family Festival.

Tullie House was pleased to be the heritage partner of OutREACH Cumbria's Heritage Lottery Fund project that explores the living history of lesbian, gay, bisexual and trans (LGBT) people in the county. The exhibition, called **Celebrate: LGBT History in Cumbria** has provide the museum with the opportunity to both showcase community diversity and to develop its own collection so that the social history collections, in particular, fully represent the county's community.

The autumn exhibition '**Carlisle in the Great War, 1914-1918: Munitions, Mayhem and Mobilisation**' features the stories of people living in Carlisle between 1914-1918. Unlike earlier conflicts, the Great War was a 'total war'. The War was not only fought on the battlefields and seas, but in the factories, hospitals and railway stations here at home. Carlisle's men and boys eagerly joined the British Army and Navy to defeat Germany as patriotic fervor swept through Cumberland. Some returned to the city as heroes, wounded and changed forever. Many would not return. The impact of such losses on local families was devastating. Carlisle's civilian population included local women becoming munitions workers at the East Cumberland Shell Factory or the HM Gretna site. Others became nurses caring for the wounded soldiers as buildings across Carlisle were converted into war hospitals. This exhibition provides an opportunity to tell their story.

In addition to the temporary exhibitions the first new permanent gallery since 2011 was opened – **Vikings Revealed** tells the story of the impact of Vikings in Cumbria and how their experience compared to that of Vikings elsewhere in the UK. The exhibition, which opened in February, displays the finds excavated at Cumwhitton in 2004 – the first Viking burial excavated in the 21st century, and one of the few sites nationally discovered with female burial remains. The exhibition allows visitors to see the results of the forensic investigation and processes used to identify the six graves.

Designation

A Phase Two application to have the Natural Sciences Collection Designated as being of 'national importance' was submitted to the Arts Council in June 2016. Following a rigorous assessment process a decision will be made in November 2016.

The Whale Project

The carcass of a dead Fin Whale found on Drigg beach was discovered in February 2014. With the approval of the Muncaster Estate, NW Wildlife Trust, Natural England and Copeland Council a Tullie House team led by the Natural Sciences Curator recovered the remains and has since been working with specialists and experts to clean, repair and present the skeleton. The intention is to mount the specimen in the atrium of Tullie House creating a dramatic spectacle. A competition was held to name the whale and the favoured name is 'Driggsby'. We see this project as a major museum centrepiece for Cumbria, our version of the Natural History Museum's 'Dippy the Diplodocus'. The cost of cleaning, conservation and mounting is in excess of £50k so several grant-giving trusts have been approached. Depending on the outcome of these applications it is hoped that the whale will be able to be displayed by the end of 2017.

Curatorial Excellence Programme

Along with our two Cumbria Museum Consortium partners Tullie House has been delivering a training programme, funded by the John Ellerman Foundation, aimed at improving standards of collections management in Accredited museums across the county. Trust staff have been involved in delivering training which covers digitisation of collections, conservation, handling and documentation. The course is being cited as good practice in terms of leadership, delegates have provided positive feedback and there is a further 12 months to run.

Catering

Tullie House has had a long and fruitful relationship with Elier (formerly Eliance) Catering but with the current contract ending in 2016 the company decided that it no longer wanted to renew the arrangement and therefore continue to operate the museum franchise. The museum embarked on a rigorous tendering competition and has selected Catering Academy to operate the catering provision at the museum for the next five years. The new contract commenced in October and plans to refurbish the restaurant in January are currently at an advanced stage.

Collection Storage

The Trust assumed responsibility for storage held at Shaddon Mill when it came into existence in 2011. The vast majority of material held in Shaddon is unaccessioned archaeology (there are also some larger social history collections). Developments in the city centre from 1979 led to the founding of a dedicated archaeological unit in 1979 and this 'Unit' unearthed a huge amount of material which led to increasing the size of the collection to about four times the original. The task of procuring a store at a lower rent was fraught with difficulties as access, condition of the building and the need for a specific internal environment were all important factors that required consideration. Once procured the task of moving over 6,500 boxes of

finds, 450 loose items on pallets and 317 boxes of paper archives was an enormous challenge given the reduced staffing and financial resources. The Trust remains extremely grateful to Story Construction for its help and understanding in supporting the museum in managing this complex logistical exercise.

Fundraising

We have targeted High Net Worth Individuals for the first time in 2016 and have had some success in benefiting from a small number of restricted donations, including one large donation of £100,000. We will continue to work with Trustees to not only develop existing relationships but expand this activity over the duration of this Business Plan.

We have applied for and been successful with a number of grant applications including: British Council for our work with China, and Cumbria Flood Resilience for work with an artist-in-residence based at the Guildhall. Our priority has been to raise funding for the Whale project by targeting Trusts & Foundations and at the time of writing we are awaiting the outcome of three separate grant applications. We have also submitted an application to English Heritage to have our non-accessioned archaeology collections assessed for rationalisation.

We have been working with partners to submit applications to the following:

- The ACE Celebrating Age fund designed to deliver cultural activity to older people in day centres
- Two applications to the ACE, English Heritage and HLF Special Places fund. One application is a partnership with cultural organisations within Carlisle to develop a cultural consortium, whilst the other is a bid focusing on Hadrian's Wall as a unique visitor destination
- We have also been working on a Visit Britain's Cultural Destinations application along with other North of England Heritage cities

Announcements on these applications are pending.

Staff Development

The Trust's Learning Coordinator, Sarah Foster, has been successful in being awarded a place on the new and extremely competitive Cultural Education Leadership Programme. Many cultural organisations experience a high degree of challenge in maintaining or developing members of staff who can dedicate themselves to working with schools. The Cultural Education Leadership Programme is an investment from Curious Minds designed to protect, nurture and develop a team of credible schools experts from within the North West's cultural sector who can strengthen the ability of cultural organisations to work in partnership with schools and will take that passion and expertise with them as they develop as future leaders of learning departments, artistic directors or managers of venues. The Cultural Education Leadership Programme is a new annual, year-long leadership development opportunity that, over 3 years,

will create a talent pool of 20 credible school specialists working in the Arts Council's North West's National Portfolio Organisations.

In recognition of winning the Kids in Museums Family Friendly Museum of the Year Award, Learning & Engagement Manager, Anna Smalley, was invited to speak about the museum's family offer at the pan-European 'Best in Heritage' conference in Croatia.

3.0 BUSINESS PLAN PRIORITIES 2017 - 2020:

Over the next three years (from April 2017 to March 2020) the Trust will have two priorities – **financial stability** and **community engagement**. Helping us to achieve these priorities are eight strategic objectives.

Priority 1: Financial Sustainability

- Objective 1: Develop an organisational focus on generating greater earned income
- Objective 2: Improve management information so that we can better manage performance
- Objective 3: Secure funding to initiate a programme of capital developments designed to generate a significant increase in earned income
- Objective 4: Actively increase income from trusts, foundations, individuals and corporates

Priority 2: Community Engagement:

- Objective 5: Focus on developing greater engagement with the Carlisle community
- Objective 6: Continue to work with hard-to-reach groups within Carlisle and surrounding area
- Objective 7: Strengthening our Hadrian's Wall offer
- Objective 8: Develop international audiences from China or with communities interested in Chinese culture

Within these eight objectives is a schedule of specific actions relating to these priorities and objectives:

Objective 1: Develop an organisational focus on generating greater earned income

1. Increase income from learning activities by 60% by 2020
2. Generate at least £10k of income from curatorial development by 2020
3. We will be developing our exhibitions programme in two specific ways.
 - We will look to minimise costs by working in partnership, seeking funding opportunities and efficiencies
 - We will aim to be clear about our target audience, our marketing and how we can maximise income generation opportunities
4. By 2021 and following a capital programme, we will increase income from shop and admissions

6. Undertake a cost / benefit analysis of developing the rotunda into a multi-functional space for corporate hire
7. Investigate acquiring the Castle Street premises and explore ways to convert and rent out the Librarian's House as a B&B

Objective 2: Improve management information so that we can better manage performance

1. Develop robust visitor data and report on this weekly
2. Introduce monthly management accounting by December 2016
3. Improve IT infrastructure and support services by January 2017 so that information is both timely and relevant

Objective 3: Secure funding to initiate a programme of capital developments designed to generate a significant increase in earned income

1. We will work with Catering Academy to undertake a capital development of the restaurant in early 2017
2. Maximise visitor interest in historic costume by creating a dedicated costume display in the current Carlisle Life gallery in early 2017
3. Seek funding to convert the Special Exhibitions Gallery (SEG) into a new community learning space ready for the 2017 academic year
4. Building on the success of the 'Tullie Explorers Gallery', piloted May - July 2016, we will investigate funding opportunities to create an exciting new permanent, interactive children's play gallery within the museum in 2018. This will develop our offer for families and represent a significant income generation opportunity for the museum
5. We will discuss our masterplan with HLF and take their advice on submitting a major funding application for Phase 2 of our programme

Objective 4: Actively increase income from trusts, foundations, individuals and corporates

1. Work with CMC partners to secure National Portfolio funding (replacing MPM funding) from the Arts Council from 2018 to 2022
2. Seek funding to undertake one of the following three curatorial projects:
 - Document and digitise the historic photograph collection to generate income
 - If successful with current application to Historic England develop an archaeology project with volunteers or a trainee curator to provide greater access to collection
 - Create a curatorial trainee or internship scheme to grow curatorial capacity / provide enhanced access to collections, including the delivery of sessions with community groups and training / upskilling the Visitor Experience team
3. We will actively fundraise for a range of gallery developments as part of our capital masterplan
4. We will explore funding opportunities from HNWIs for a project which brings together connections between the Chinese Han Dynasty and Ancient Rome
5. We will work with our Trustees to develop our capacity to raise more income from fundraising

Objective 5: Focus on developing greater engagement with the Carlisle community

1. We will engage with a wide range of individuals and groups to ensure that more people experience and are inspired to visit museums (includes participation in large scale events and supporting national initiatives)
2. We will create and deliver programmes that increase the number and range of pupils engaging with the museums
3. We will increase our programme of activity and participation for Young People
4. We will deliver family engagement activity and establish a coordinated approach to a Family Friendly offer for Cumbria
5. We will create digital learning resources for teachers, schools and Young People
6. In 2017 we will be actively working to recruit and train volunteers to deliver enhanced gallery experiences (and thus increase income from admissions) by developing a programme that responds to the Manifesto and may include guided tours and themed re-enactors
7. We will continue to develop our exhibitions engagement programme and work on the interpretation of new gallery developments

Objective 6: Continue to work with hard-to-reach groups within Carlisle and surrounding area

8. We will develop community and arts engagement with underrepresented groups (older people, dementia sufferers and carers, people with disabilities and low socio-economic backgrounds and artists). As part of this we will be active participants in the Carlisle Dementia Action Alliance and assist Carlisle's aspiration to become a Dementia Friendly City
9. If successful with a current funding application we will deliver the Arts Council's Celebrating Age programme (aimed at delivering a creative response to collections in a number of day centres) in 2017

Objective 7: Strengthening our Hadrian's Wall offer

1. In 2017 we will create an exciting and engaging Hadrian's Cavalry exhibition and work with partners to produce a once-in-a-lifetime Roman Turma (a re-enactment of a Roman cavalry unit) in Carlisle's Bitts Park
2. In 2017 we will strengthen our marketing offer to ensure that we maximise the impact of the UNESCO World Heritage brand

Objective 8: Develop international audiences from China or with communities interested in Chinese culture

3. We will work with local partners / initiatives to attract more international visitors from American and Far East Markets
4. We will build on our existing partnerships with the Imperial Decree Museum in Xuzhou and the Confucius Centre in Lancaster to develop our Chinese offer. This will include the placement of a Confucius Centre funded teacher who will work with staff, schools and community groups through Mandarin classes and sessions themed around TH's Chinese collections, and which will culminate in an exhibition in the Art Gallery in February 2018

with accompanying engagement programme, including a Chinese New Year festival in Carlisle City Centre

5. In 2017, with the assistance of a Chinese teacher we will develop guided tours in Mandarin and monetise this

Whilst our focus will be on the eight objectives that will help us realise our two aims there are a number of other initiatives that we have committed to deliver. These include:

1. Continue to deliver the CMC Activity Plan which includes
 - Training volunteers to raise collections management standards across Cumbria as part of the Curatorial Excellence Programme
 - Catalogue and digitise collections to create a regionally dispersed Cumbria collection on a bespoke collections website (part of the Curatorial Excellence Programme)
 - Undertake research on collections and programming
 - Delivery of Highlights Loans project (part of the Curatorial Excellence Programme)
2. Completing the Whale project (subject to funding)
3. In 2017 we will seek funding to develop our volunteer workforce
4. In 2017 we will produce a People Strategy and as part of this we will improve internal communications so that volunteers, employees and contracted staff are better informed and have a voice. We will also prioritise learning & development to ensure that our people are suitably trained and performing to the best of their ability

4.0 MANIFESTO

At the beginning of 2016 we introduced the Tullie House Manifesto (Appendix A) and this forms the basis of all of our work and in particular the two strategic priorities. Community engagement is at the very heart of the Manifesto and we will work hard to ensure that our community influences what we do and how we do it. We will communicate better, involve more people and open up new opportunities for people to be inspired by the collections we hold.

Our other priority area – financial sustainability – is also underpinned by the Manifesto. Greater engagement will increase visitor numbers and therefore admission income and secondary spend. However, we have also been testing the market – asking our users what they want – and, providing we can secure the required funding, some of their responses will be implemented over the next three years. For example: a permanent Explorer's Gallery for children, greater opportunities to handle collections, more and different collections on display and improved visitor facilities.

We recognise the need to improve performance, gather data and respond to visitor needs; these are all strands within the Manifesto but the challenge is to weave community

engagement and financial resilience and accountability together so that we can develop our role, connect better with our audiences and deliver inspiring and popular programmes.

5.0 MASTERPLAN FOR CAPITAL DEVELOPMENT

The Trust submitted a major funding application of £12m (for a £17.8m project) to the HLF in November 2014. The application was unsuccessful but the feedback was positive on the vision and transformational potential of the Trust's 20:20 Project.

We have now re-evaluated the 20:20 scheme and are in the process of replacing this with a 10 year Masterplan that embraces much of the earlier scheme but which now crucially has a much stronger focus on financial sustainability and will be progressed in discrete stages over a longer period as funding permits and without major disruption to the visitor experience.

Initial work shows that the phasing can commence in 2017 (with the restaurant development) and continue to at least 2022. There is considerable planning work to be done but initial scoping work suggests that the first four phases of the development might cost in the region of £11m (Stage 1 commencing in early 2017 would be under £100k, Stage 2 - £1.3m, Stage 3 - £5.4m, Stage 4 - £4m). By phasing in this way we not only minimise the impact on our visitors, each phase will require an application of less than £5m (when match funding is taken into account), which allows us to stay below the threshold that requires projects to compete on a national basis with only one submission per year.

6.0 BUDGET POSITION FOR 2017/18

Following two consecutive years of funding cuts from the City Council (£250k in 15/16 and £214k in 16/17), 2017/18 is the first year of what will hopefully be a much more stable period for Tullie House, with no further reductions in the core funding for at least four years. The focus is now very much on developing a proactive approach to increase our earned income in a sustainable way, rather than having to react to funding reductions.

The other significant funding Tullie House receives is the Arts Council England (ACE) Major Partner Museum (MPM) funding. 17/18 will be the third year of funding on the current three year agreement. The MPM funding is being replaced by the National Portfolio Organisation (NPO) scheme from April 2018 to March 2022 and an application will be submitted by the Cumbria Museums Consortium (CMC) in January 2017 with the outcome known in June 2017. For budgeting purposes we have assumed that this funding will continue in years 2 and 3, but clearly without confirmation until June 2017, this poses a risk to Tullie House should the CMC application be unsuccessful.

Our 10-year strategy is very much focused on a Masterplan for capital development (see section 5.0). This underpins our ambition to increase our number of visitors and our earned

income. The budget presented in this business plan shows ambitious but achievable growth in years 2 and 3 with the hope that any capital development will dramatically help to increase our earned income, sponsorships and donations.

6.1 Core Funding

We have calculated the year 1 Council funding as follows;

16/17 Baseline	834,504
Funding for IT	61,500
1% Salary increases for core staff	8,251
0.6% CPI Inflation	1,000
	905,255

The baseline figure on in the proposed budget is 847,798 which included backdated amounts of £13,293.50 for Payroll and HR funding from 14/15 and 15/16. The IT and CPI elements are estimated and are still to be agreed. We have assumed further 1% salary increases in years 2 and 3 but haven't assumed any CPI increases in these years. The central services provided by the City Council have reduced in year 1 from the baseline due to Tullie House now outsourcing its IT provision. The only services Tullie House now receives from the Council are Health and Safety and Buildings Maintenance and the costs for these (and for the IT service) are based on the actual costs provided for 15/16.

6.2 Generated Income

We are forecasting increases in our admissions income, shop income, schools income, catering income and sales of the Tullie card within 2017/18 and anticipate these areas to grow further in years 2 and 3. Our new caterers Catering Academy and a capital development in our restaurant will all help to increase our catering income by attracting new and more repeat visits. We are introducing new suppliers in the shop and are looking to increase our profit margins and reduce stock levels. The creation of a new education space will enable up to maximise bookings and income from schools and educational groups. We are often at capacity and have to turn bookings away so an additional classroom is really needed.

6.3 Unrestricted Grants / Sponsorship / Donations

We are treating the Tullie House ACE MPM funding as unrestricted as following the last staffing restructure (completed May 2016) we no longer have any members of staff directly employed by this funding. All of our staff are now core staff and this funding contributes to all core costs as well as funding the projects and achieving the outcomes for ACE. As per the 3 year funding agreement, the contribution to Tullie House reduces by £12k to £291 in 17/18. We have also increased donations, gift aid and fundraising income and look to grow these areas further in years 2 and 3.

6.4 Restricted Income & Expenditure

As lead partner in the CMC, Tullie House also administers the consortium funding of the MPM grant which are projects that run in partnership with Lakeland Arts and Wordsworth Trust. The funding for 2017/18 is and again, it is assumed that this funding will continue in years 2 and 3. We are anticipating grants of £75k in 17/18 in relation to the exhibitions programme. This is made up of £35k from Northumberland National Park Authority for the Hadrian's Cavalry exhibition and £40k from the Confucius Institute for the Chinese exhibition in early 2018. We are proposing to turn the current Special Exhibitions Gallery into a new education and community space and will be applying for grant funding of £35k to Trusts and Foundations. In addition we have just submitted a funding application to ACE for the Celebrating Age programme for £98k. This will be a project working across CMC with Prism Arts.

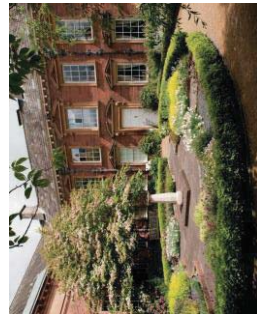
6.5 Expenditure

Due to the uncertainty of some income streams Tullie will continue to keep costs under control and will continue to review all areas of expenditure in order to make efficiencies. A review of all our income streams has begun and we will continue to calculate the contribution of each form of income once costs have been fully allocated.

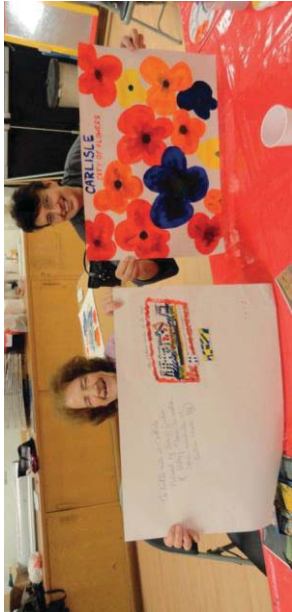
Core expenditure is showing an increase in 17/18, which accounts for the IT service being outsourced (note that CCC Central Services has reduced) although overall unrestricted expenditure has reduced. This will increase in years 2 and 3 which is partly to generate the additional income and to deliver a surplus with which to re-invest into the core business.

TULLIE
HOUSE

MANIFESTO



INTRODUCTION



Pillar I:

We will create a museum fit for the 21st century, a museum that has something to say about Carlisle, Cumbria and the world in which we live; a museum that unleashes creativity and invites co-creationⁱ; a museum which is collections based, curatorially informed and audience focused; a museum with a human face providing a third spaceⁱⁱ anchoring community life.



Pillar 2:

We will examine, explore and challenge assumptions, conventions, and disciplinary borders. We will scrutinise and contest what a museum is and how it is run by creating an interdisciplinary, free-thinking hybrid^{III} museum.



Pillar 3:

We will re-think museum spaces and buildings to create compelling, immersive experiences which speak out to and invite in our active participants; we will engage the senses, trigger the imagination and stimulate creativity, delivering social, intellectual and emotional audience outcomes^{iv}.



Pillar 4:

We will create open learning environments, invite people to co-create, share ideas, knowledge, art and experiences with specialists and other active participants by encouraging and facilitating creativity, research, involvement and user generated content⁴. We will animate the school curricula.

We will examine the past, debate the present and help shape the future.



Pillar 5:

We will bridge the global and the local by acting as an inclusive, real and virtual community hub for locals and visitors. We will use Carlisle, Cumbria and our collections as our axis to invite participation^{vi}. We will seek local, national, and global collaboration with institutions and individuals who want to think about everything, differently.



Pillar 6:

We will create a vibrant and dynamic, hybrid organisation that is fuelled by passion and creativity. We will measure our success and have a self-critical attitude. We will set high professional and personal standards, creating a workplace which reflects our manifesto^{vii}. And we will keep on creating tomorrow's museum with our active participants.

REFERENCES

¹ Louise Govier defines co-creation as museum and gallery professionals working with our audiences (both existing and potential) to create something new together. The most ground breaking work on co-creation in practice is pioneered by Nina Simon at Santa Cruz Museum of Art & History (see <http://musemtwo.blogspot.dk> or The Participatory Museum (2010). Hannah Rudman describes co-creation as a '...mindset that allows for the exchange of creative energy between the museum and its public' (Getting In on the Act, The James Irvine Foundation, 2011). Co-creation takes us to the next level in the Spectrum of Audience Engagement and helps build, share and establish emotional connections (see http://visitors.org.uk/wp-content/uploads/2015/04/VSG2015_Workshop_AndrewMcIntyre_Spectrum_of_audiences_engagement.pdf)

¹¹ The third place (or third space) was termed by Ray Oldenburg (The Great Good Place, 1989). He argues that we need social surroundings for community building, separate from the home (the first place), and the workplace (the second place). Third places are important for civil society, democracy, civic engagement, in establishing feelings of a sense of place.

¹¹¹ A hybrid museum cuts across categories such as academic disciplines, time and place. An excellent example of this is Tullie House's Roman Frontier Gallery which tests conventions by comparing an ancient civilization with 21st century war zones. Hybrid museums stand in contrast to the traditional single-themed museum which focuses on objects from a particular place and time from the perspective of a particular discipline. Hybridity can also refer to breaking down barriers between functions and places. The gift shop may enter into the gallery space as museum objects can be seen in the museum café. The kind of hybrid museum we want to create does not reject traditional disciplines and disciplinary exhibitions. It supplements, challenges and transcends conventional thinking with interdisciplinary approaches. We believe that we thereby get a deeper understanding of disciplines and of the world. This hybrid thinking about disciplines, experiences, functions and media will create considerably more engaging exhibitions for our active participants.

¹⁴ Traditionally museums have focused on providing object based information or aesthetic experiences through art. In Morris Hargreaves McIntyre's Spectrum of Audience Engagement this is identified as 'Deliver' and 'Inform' which sees the museum as a 'storehouse of knowledge' and 'centre for learning' (See http://visitors.org.uk/wp-content/uploads/2015/04/MSG2015_Workshop_AndrewMcIntyre_Spectrum_of_audiences_engagement.pdf). We acknowledge that we need these building blocks so that 'our expert knowledge is credible, authoritative and accurate' and so we can help 'explain the world' to our visitors but we also believe that museums should be about sharing stories, be places where debate and discussion are encouraged. We believe that museums should be a platform for ideas where people can co-create and feel empowered so that a sense of community is created. We believe that participation in cultural activity is fundamental to people's well-being and therefore should be accessible to all. We know that access to culture enhances people's self-esteem, their identity and their quality of life. Its inter-generational and inter-cultural outcomes build stronger more inclusive communities. We want to focus on these audiences to create active participants, we want to help people express powerful ideas, reflect on their culture and make it visible. We believe that this active inclusivity will contribute to the long-term sustainability of Tullie House.

¹⁵ Gerald Celente says that 'interactive, on-line learning is revolutionising education and is having as profound and as far-reaching an effect upon the world as the invention of printing. Not only will it affect where we learn; it also will influence how we learn and what we learn' (Gerald Celente, Trends 2000, 1997: 249). Inspirational learning is central to the work of Tullie House; it will underpin everything that the museum does. Its aim is to foster connections between our active participants and the objects within the museum's collections so that meaningful learning may result. Tullie House encourages everyone to experience, think, enjoy, question, understand and challenge.

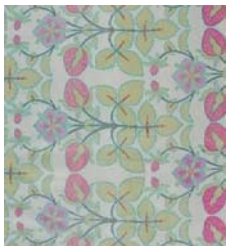
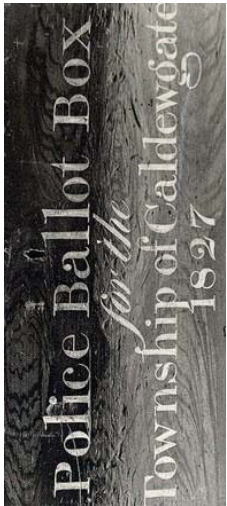
¹⁶ The rapid pace of change in society means that many more people around the world now have the desire, the tools and the resources to turn their ideas and aspirations into reality. We will aim to harness this creativity with the museum's collections to create opportunities to develop innovative thinking and collaboration which will further our aim to build stronger communities.

¹⁷ Just as the hybrid museum dissolves the boundaries between academic disciplines, so the hybrid organisation breaks down the silos between internal departments, integrates a team of employees, volunteers and outside experts and dismantles the wall between the institution and the user.

“Museums change people’s lives. They enrich the lives of individuals, contribute to strong and resilient communities, and help create a fair and just society. Museums in turn are immensely enriched by the skills and creativity of their public.”

Museums Change Lives, Museums Association, 2013





APPENDIX B Proposed budget 2017/18 - 2019/20

		Baseline Budget	Draft Budget		
		2016/17	Year 1 17/18	Year 2 18/19	Year 3 19/20
		£000's	£000's	£000's	£000's
Income	Unrestricted Income				
	Carlisle City Council (CCC) Grant	848	905	914	923
	CCC Central Services	87	14	14	14
	Generated Income	384	424	454	475
	Grants / Sponsorship / Donations	332	323	353	383
	Sub-total unrestricted income	1,651	1,667	1,735	1,795
	Restricted Income				
	Arts Council England (ACE) CMC Grant	156	158	150	150
	Exhibition Grants / Sponsorship	30	208	90	100
	Sub-total Restricted income	186	366	240	250
	Cumbria Biodiversity Data Centre (CBDC) Income	87	88	95	100
	Total Income	1,924	2,121	2,070	2,145
Expenditure	Unrestricted Expenditure				
	Core staff Salaries	812	825	850	865
	Utilities	151	149	155	162
	CCC Central Services	87	14	14	14
	Core expenditure	583	631	646	656
	Sub-total unrestricted expenditure	1,633	1,619	1,665	1,697
	Restricted Expenditure				
	ACE CMC Salaries	24	31	30	30
	ACE CMC revenue expenditure	132	127	120	120
	Exhibition grant / sponsorship related	30	208	90	100
	Sub-total restricted expenditure	186	366	240	250
	CBDC Expenditure				
	CBDC Salaries	86	87	89	91
	CBDC revenue expenditure	15	18	16	18
	CBDC revenue expenditure	101	105	105	109
	Total Expenditure	1,920	2,090	2,010	2,056
Totals	Total Surplus before CBDC	18	47	70	97
	Total CBDC Surplus / (Deficit)	-14	-17	-10	-9
	Total Surplus	4	30	60	88
Reserves	Café Reserve c/fwd	0	0	0	0
	Acquisition Reserve c/fwd	25	25	25	25
	CBDC Restricted & Designated Reserves c/fwd	122	105	95	86
	Other restricted Reserves c/fwd	114	106	106	106
	General Reserve c/fwd	315	362	432	529
	Total Reserves	576	599	658	747

Note: Reserves brought forward from 2015/16 were:

297,326 General Reserve
50,000 Café Investment
25,000 Acquisition Reserve
14,112 Other Restricted Reserve
136,161 CBDC
522,599 TOTAL

APPENDIX C

Cumbria Museum Consortium – Activity Plan – 2015 to 2018

Over the next three years, the Cumbria Museum Consortium will creatively use its expansive and inspiring mix of internationally important collections to connect people to great culture and heritage.

Goal 1: Excellence is thriving and celebrated in the arts, museums and libraries.

Aim and Activities	SMART measures of success	Timescales			Lead / source
		15-16	16-17	17-18	
The CMC aims to deliver ambitious programmes that aspire to national and international standards of excellence. The CMC will: Train volunteers to raise collections management standards across Cumbria.	10 volunteers trained and up to 5 museums will be consulted (in year 1) and receive targeted support to improve collection management standards and maintain Accreditation (in years 2+3).	Q1-4	Q1-4	Q1-4	Collection and learning leads
DIGITAL Catalogue and digitise collections to create a regionally dispersed Cumbria collection on a bespoke collections website.	200,000 objects will be made available on-line by end of programme.	Q1-4	Q1-4	Q1-4	Collection and learning leads
Apply for designation for natural sciences collection in 2015 (TH) and the Windermere boat collection in 2016 (LA).	2 applications for Designation will be developed and submitted.	Q1-4	Q1-4		Helen W + Steve H
Undertake research on collections and programming.	3 collection research articles / papers will be developed and 3 papers / presentations will be disseminated annually.	Q1-4	Q1-4	Q1-4	Collection and learning leads
Create and deliver major exhibitions and programmes on Canaletto, Waterloo and Anselm Kiefer in 2015, Indian contemporary art and Carlisle at War in 2016; Roman Armour exhibition; open Windermere Jetty in 2016.	An increase of 2% new (first time) visitors will engage with exhibitions and related programmes; and visitor satisfaction levels will grow by 2%.	Q1-4	Q1-4	Q1-4	Monitored through ticket sales and Viewpoint reports*
Develop further international links with: the Imperial Decree Museum in Xuzhou China (Tullie House) American Universities (Wordsworth Trust) Exhibitions with contemporary artists such as Belgian Tinus Vermeersch (Lakeland Arts)	10 objects will be toured internationally and experienced by 50,000 visitors at international venues (TH). 250 student learning days will be delivered generating £20,000 (WT). 6 contemporary artists will exhibit work reaching 5000 visitors (all).	Q1-4	Q1-4	Q1-4	Monitored by Collection and learning leads / door counts
Delivery of Highlights Loans project (All).	Up to 5 museums in Cumbria will participate and attract 10,000 visitors.		Q1-4	Q1-4	Collection and learning leads

*Baseline will be established 2015-16

Goal 2: More people experience and are inspired by museums

Aim and Activities	SMART measures of success	Timescales			Lead / source
		15-16	16-17	17-18	
The CMC aims to increase the use and ownership of its museums, particularly by local audiences. The CMC will lead audience development across Cumbria's museums, sharing information and skills and stimulating new ideas through learning and other networks. The CMC will:					
Building on MHM reports, visitor research questionnaires will be streamlined to ensure CMC is collecting the same information, benchmarking, evaluating progress and sharing with staff to become more audience focused organisations.	4 standpoint questionnaires will be reviewed and streamlined by end Q1 of year 1.	Q1			JP; with Marketing leads
Carry out audience research in 2015-16 to establish a baseline to measure the success of interventions and inform programmes and services.	Commissioning Viewpoint analysis report will provide baselines to inform planning, development and evaluation of the CMC programme.	Q4			JP data audit and feedback from CMC teams
Develop community and arts engagement with underrepresented groups (older people, dementia sufferers and carers, people with disabilities and low socio-economic backgrounds and artists).	TH will deliver 9 projects / year with 600 participation days. WT will deliver 12 projects / year with 2000 participation days. LA will deliver 6 projects / year with 460 participation days.	Q1-4	Q1-4	Q1-4	Monitored by Collection and learning leads
Engage with a wide range of individuals and groups to ensure that more people experience and are inspired to visit museums (includes participation in large scale events and supporting national initiatives).	The venues will attract a 5% increase of people that do not currently visit the museums, including local people from across Cumbria.	Q1-4	Q1-4	Q1-4	Viewpoint* programme and postcode analysis
Work with local partners / initiatives to attract more international visitors from American and Far East Markets.	CMC will increase international visits by 2% by 2017.			Q1-4	Monitored through Viewpoint* and group bookings

*Baseline will be established 2015-16

Goal 3: The arts, museums and libraries are resilient and environmentally sustainable

Aim and Activities	SMART measures of success	Timescales			Lead / source
		15-16	16-17	17-18	
<p>The CMC will employ a number of approaches to increase its resilience and sustainability, maximising its resources and impact through effective partnership working. The CMC aims to increase the understanding of the value of the museums sector for the economic and social development of Cumbria. The CMC will:</p> <p>Work with MDNW to identify retail and digital development opportunities with the Cumbria Museum's Retail Working Group; trial joint procurement; monitor and evaluate savings.</p> <p>Support and share learning with Cumbrian Museum ecology including delivery of 6 training / support opportunities, providing 4 museum mentors, supporting 4 annual CMF meetings and managing CLNs.</p> <p>Increase self-generated income, via membership schemes, donations, courses, and improved facilities at CMC organisations.</p> <p>Maintain and develop partnership with:</p> <ul style="list-style-type: none"> • Cumbria Biodiversity Data Centre • World Heritage Sites on bid development • Regional and local authorities <p>Implement environmental action plans and work with Julie's Bicycle to improve organisational sustainability.</p>	<p>Expand the CMRW G membership and develop 3 joint collection-related initiatives.</p> <p>25 CMF members will attend quarterly meetings; 100 participants / beneficiaries at events, leading to good quality Accreditation returns and successful funding applications from Cumbrian museums</p> <p>Create a commercial development role and increase income by 20% from £60,397 to £72,476 by 2018 (TH).</p> <p>Agree CMC-wide benchmarks and develop targets for increased income generation (yr1) over three year period through diversification of income streams.</p> <p>LA benchmark is £150K</p> <p>WT benchmark is £200K</p> <p>Arts and heritage offer is articulated within WHS bid.</p> <p>Secure continued investment from Carlisle CC and SLDC and be recognised as strategic partners with councils.</p> <p>TH – to recruit a Green Champion and introduce better energy consumption monitoring by end of 2017</p> <p>LA - 10% reduction in CO2 to 2017-18 in existing facilities and introduce better energy consumption monitoring by 2016-17 (year 2).</p> <p>WT – ongoing monitoring of energy consumption to inform HLF capital development bid.</p>		Q1-4	Q1-4	Shop sales / income
		Q1-4	Q1-4	Q1-4	monitored through CMF, liaison with ACE and MDNW
		Q1-4		Q4	Monitored by Fundraising leads
		Q1-4	Q1-4	Q1-4	
		Q1-4	Q1-4	Q1-4	Monitored by Steering Group
				Q1-4	Monitored by green champions

Goal 4: The leadership and workforce in the arts, museums and libraries are diverse and highly skilled

Aim and Activities	SMART measures of success	Timescales			Lead / source
		15-16	16-17	17-18	
<p>The CMC assumes a local, regional and national leadership role and aims to ensure high quality training opportunities are offered to individuals and support professional development for heritage workers.</p> <p>The CMC will demonstrate professional leadership and work to an effective governance framework.</p> <p>Maintain and develop partnership with:</p> <ul style="list-style-type: none"> Manchester Partnership in delivery of MDNW Work with Curious Minds as Bridge organisation NWFED to share skills with regional museums take a strategic leadership role with regard to managing rural museums, and host a regional conference in conjunction with other rural MPMs <p>Assess training needs via formal analysis</p> <p>Run annual graduate training programmes (WT)</p> <p>Employ apprentices, and support apprenticeships in Cumbria (TH & LA)</p> <p>Host annual student and school placements</p> <p>Develop volunteer programmes at all venues</p>	<p>CMC will hold monthly steering group meetings; Update and implement equality action plans; Monitor and manage risk</p> <p>Delivery model for Museum Development is recognised by beneficiaries and key stakeholders as good practice and good value</p> <p>TBD</p> <p>Delegates at events / conference learn something they can implement back at their museum</p> <p>Annual staff appraisals will produce CPD plans which are supported by managers.</p> <p>Participants have 100% success rate at securing employment / further education / training within 3 months of completing the programme.</p> <p>100% of trainees and apprentices move into new roles/further training.</p> <p>Each organisation will host 6 placements</p> <p>TH will develop volunteer ambassadors</p> <p>LA will create a volunteer coordinator post</p> <p>WT will work with National Trust to develop shared volunteering opportunities.</p> <p>Appoint digital manager to produce a strategy in first year of the programme</p> <p>12 members of staff across CMC will gain and use new skills in other aspects of their work</p>	Q1-4	Q1-4	Q1-4	Minutes / reports to ACE
		Q1-4	Q1-4	Q1-4	Monitored by MDNW in annual report
		Q1-4	Q1-4	Q1-4	Event delegate feedback
		Q1-4	Q1-4	Q1-4	Monitored by CMC teams / managers
		Q1-4	Q1-4	Q1-4	Monitored by learning leads
		Q1-4	Q1-4	Q1-4	Monitored by learning leads
		Q1-4	Q1-4	Q1-4	Monitored by learning leads
		Q1-4	Q1-4	Q1-4	Monitored by CMC Steering Group
		Q1-4	Q1-4	Q1-4	Monitored by CMC Digital manager

Goal 5: Every child and young person has the opportunity to experience the richness and inspiration of museums

Aim and Activities	SMART measures of success	Timescales			Lead / source
		15-16	16-17	17-18	
The CMC will enhance the quality of provision for primary and secondary schools, YP and Families, through the delivery of a range of projects, including the use of digital technology to increase learning and engagement with museums.					
Create and deliver programmes that increase number and range of pupils engaging with the museums	The CMC organisations will grow schools engagement as follows: WT from 4000 (2014-15) to 5000 in first year of programme (and then establish targets for years 2+3) TH from 10,000 (2014-15) to 10,500 by the end of the programme LA – from 3000 to 10,200 – by the end of the programme	Q1-4 Q1-4 Q1-4	TBD Q1-4 Q1-4	TBD Q1-4 Q1-4	Monitored by learning leads
Increase programme of activity and participation for Young People	The number of YP visiting the venues and engaging with programmes (including Arts Award) will increase by 5% by end of the programme WT 150 Arts Award recipients TH 120 Arts Awards LA 120 Arts Awards	Q1-4	Q1-4	Q1-4	Monitored by learning leads and through Viewpoint*
Deliver family engagement activity and establish a coordinated approach to a Family Friendly offer for Cumbria	The CMC organisations see an increase of 5% of families visiting and the CNL will establish a family friendly network in Cumbria.	Q1-4	Q1-4	Q1-4	Monitored by learning leads and through Viewpoint* and ticketing systems
DIGITAL Create digital learning resources for teachers, schools and Young People	CMC will create and trial digital learning resources in the first year of the programme and monitor / review effectiveness and use of the resources throughout the programme.	Q1-4	Q1-4	Q1-4	Monitored by learning leads
The CLN will disseminate good practice for museum and gallery learning across Cumbria	The CLN will run 12 training and dissemination days each year of the programme.	Q1-4	Q1-4	Q1-4	Monitored by learning leads / CLN
The CMC will deliver the BRIDGE role for heritage Cumbria	TBD				

*Baseline will be established 2015-16

Extract from the Partnership Funding Agreement & Carlisle City Council Performance Monitoring

(Reproduced from the Partnership & Funding Agreement between Carlisle City Council and Tullie House Museum and Art Gallery Trust, 5th May 2011)

- 5.4. In order to provide MT with a secure and stable basis for medium-term planning, the parties agree that starting in 2012/13 the Core Funding will be approved by Carlisle through a systematic and collaborative process on a three-year rolling basis against a Business Plan submitted by MT to Carlisle not later than 31 October each financial year which the parties shall use their best endeavours to agree by no later than 31 December each financial year.
- 5.5. Core Funding for 2012/13, 2013/14 and 2014/15 will be agreed through a Business Plan submitted by MT to Carlisle not later than 31 October 2011 and Core Funding for 2015/16 will be agreed through a Business Plan which covers the period 2013/14 to 2015/16 submitted by MT to Carlisle not later than 31 October 2012.
- 5.6. Each year thereafter Core Funding for the third subsequent financial year will be agreed through a Business Plan following the above process (Core Funding for the first and second subsequent financial years already having been agreed through the previous Business Plan following the above process).
- 5.12. Without prejudice to the generality of the provisions of clauses 5, 7 and 10 Core Funding will be subject to annual uplift on 1st April each year for:
 - 5.12.1. salary inflation based on the percentage increase in the NJC Local Government pay award; and
 - 5.12.2. all supplies and services and including all MT income (but excluding grant) and NNDR based on the previous year's Consumer Price Index (C.P.I) at September each year.

6. CONTENT OF BUSINESS PLANS

- 6.5. The Business Plan shall (amongst other things) specify in respect of the relevant period:
 - 6.5.1. MT's overall vision, purpose, key objectives and strategy for achieving them;
 - 6.5.2. key development and investment plans and their financial implications;
 - 6.5.3. MT's management and operating plans for the Museum and the Collection and maintenance plans for the Collection, reflecting the priorities agreed by the parties from time to time;
 - 6.5.4. developments proposed to MT's organisation, staffing arrangements and operating policies;
 - 6.5.5. projected income (both expected from Carlisle and other sources), revenue expenditure and capital expenditure for the next three financial years, including MT's assessment of any risk of fluctuation of the cost of performing its obligations under this Agreement and its proposals for managing such risks;
 - 6.5.6. the Core Funding which MT assesses it requires to be provided by Carlisle for each of the next three financial years with an explanation of the expenditure of MT for which the Core Funding is required;

- 6.5.7. the key performance indicators and other relevant targets against which MT will report in accordance with clause 9; and
- 6.5.8. such other information as Carlisle may reasonably require from time to time (which will be specified with reasonable advance notice).

Carlisle City Council Performance Monitoring

Customer

- 1) All in-person visits to TH (target 242k)
- 2) Visitors to all galleries
- 3) Proportion of 3) who are from 'Out of City' (non TH card holders)
- 4) No. visits to website
- 5) No. children visits (outreach and school pupils)
- 6) No of people taking part in learning activities broken down by subcategories of:
 - Visitors to Galleries
 - Curatorial Enquiries
 - Loans Boxes
 - Guildhall visitors
 - Website Users
 - Community and Schools outreach
 - Under 5's Education sessions
 - Internal Workshops and Events
 - Pupil Count
- 7) Monitoring of usage by protected characteristics, geography (*BP P3 table*) and economic segmentation (*BP P3 final para*)
- 8) Customer satisfaction

Above two are annual measures with data compiled via a customer survey conducted with the assistance of Carlisle City Council plus use of ACE survey

Finance and Economic Benefits

- 1) Additional funding gained in excess of Council funding
- 2) Volunteer hours worked
- 3) Local economic value of volunteer work

City Council Finance Team to provide quarterly statement in advance of performance meeting

Organisational development

- 1) No. FTE employees
- 2) No. employees – headcount
- 3) Health and safety incidents reportable to the HSE.

Risk register to be reported by major exception.

EXCERPT FROM THE MINUTES OF THE COMMUNITY OVERVIEW AND SCRUTINY PANEL HELD ON 24 NOVEMBER 2016

COSP.76/16 TULLIE HOUSE BUSINESS PLAN 2017/18

The Chairman welcomed Roger Cooke, Chairman of the Tullie House Art Gallery and Museum and Andrew Mackay, Director of Tullie House Art Gallery and Museum.

Report SD.29/16 was submitted introducing the Tullie House Museum and Art Gallery Trust 2017-2020 Business Plan.

Mr Cooke reported that the last 12 months had seen two major developments at Tullie House. The first development had been the reduction in grant from the City Council, the learning curve had been a productive experience with some negative aspects but Tullie House had presented a balanced budget for the first year. The second development had been the appointment of Mr Mackay as the new Director.

The Business Plan had two key focusses of financial stability and community engagement. One positive effect of the reduction in grant had been that the Trust had been forced to think radically about Tullie House and rediscover and strengthen the links with Carlisle and make the museum a museum for local people as well as tourists.

Mr Mackay explained that the Trust had created a Manifesto, which had been included in the report. The Manifesto set out the direction of travel to create a museum for 21st century audiences with a focus on the Carlisle community. The Manifesto would also be used to attract potential investors.

The reduction in grant had made the Trust look at the Museum's weaknesses and how it managed performance. It had renewed the focus on culture change and was more driven by income streams which had resulted in a change to IT and financial systems. The Trust was more commercially aware and members of the Trust and staff had attended training on how to develop relationships with high net worth individuals and generate income.

The community engagement aspects had been extremely successful in particular with hard to reach groups. Work had taken place with young carers, early opening for autistic children and youth offenders. All staff had been trained to develop dementia friendly services at the Museum.

The Executive had on 21 November 2016 (EX.108/16) received the report and decided:

"That the Executive:

1. Had given consideration to Report SD.23/16 and the proposed Tullie House Museum and Art Gallery Trust Business Plan 2017 - 2020.
2. Made the report available for consideration by the Community Overview and Scrutiny Panel."

In considering the Business Plan Members raised the following comments and questions:

- Did Tullie House still offer a pass for local residents?

Mr Mackay confirmed that residents could have a Tullie Card which allowed entry throughout the year for a fee of £4.

- The report stated that there was an increase in visitors, was there a record of where visitors came from and had there been an increase in local visitors?

Mr Mackay reported that information was recorded but it needed to be improved and it was an area that was being looked at through IT provision. There had been a growth in visitors from the Allerdale and Eden areas and as a result the Trust was looking at introducing a new level of admission for surrounding areas.

- Had the application to have the Natural Sciences Collection Designated as being of 'national importance' been successful?

Mr Mackay responded that they had not yet been informed of the decision. The Trust recognised that the collection was of vital importance as Cumbria was so diverse, should the collection be given the national importance designation it would open more opportunities for the Museum and help secure investment to maintain the collection.

- The Plan showed an increase of 10,000 visitors could this attributed to the younger age group visiting?

Mr Mackay stated that the focus in the year had been to increase the number of families visiting and this had shaped the activities on offer. In addition the museum had held the national Telegraph Family Friendly award which had increased visitors. The Trust had a clear focus on audiences and wanted to make sure all audiences were catered for not just families.

- A Member asked for more information on the dementia training that had taken place.

Mr Mackay explained that the Alzheimer's Society had trained all staff in dementia awareness. Signage in the buildings had been changed and sessions had been delivered with Prism Arts using the collection in terms of memory.

- How would the Castle Street premises be used and why was the Librarian House to be used as a B&B was there a demand near the museum?

Mr Mackay responded that both of the buildings were part of the ten year strategic plan for the museum. The Castle Street buildings required more discussion with regard to the options available. In terms of the Librarian House, the Trust had been working with a consultant to help the museum to become more commercially sustainable. They had suggested using the Librarian House as holiday accommodation as a potential additional income stream. The exploration of this option would be part of the overall strategic plan.

Mr Cooke reminded the Panel of the ambitious £15m development that had initially been proposed to change the museum into a state of the art museum and art gallery. Part of the

development had included the Castle Street property. The plans had changed but there would still be a requirement for additional space and this would take place as part of the ten year plan.

In response to a question Mr Cooke confirmed that initial development had relied on a successful bid from the Heritage Lottery Fund (HLF). The HLF had asked the Trust to submit another bid but the Trust felt the initial bid had been far too ambitious and so would return a less ambitious bid for the first Phase.

- Did the Trust keep a record of people who visited the café but not the museum?

Mr Mackay explained that they had started to record the number of visitors to the café. He added that the café would be refurbished before Easter 2017.

- Did the Trust anticipate an increase in footfall as a result of the new Crossing on Castle Way?

Mr Mackay felt that the crossing would help footfall as the road was a barrier between the Museum and Castle. The Trust was keen to work with the Castle and Military Museum and hoped that the crossing would help improve the offer.

Mr Cooke added that he had been strongly in favour of the project as it would give unity to the Historic Quarter and he would be disappointed if it did not increase footfall.

- How had Tullie House developed links with China as mentioned in the report?

Mr Mackay explained that Tullie House had been approached by a Museum in China who had been looking for a partner of similar size. Mr Mackay had visited the museum in China and held some sessions with children as well as take some Roman artefacts. The Trust hoped to put together an exhibition in 2018 to coincide with the Chinese New Year. The Trust also had a Mandarin speaker starting work in the New Year.

- A Member highlighted the historic stones that were in storage and asked if they could be placed in strategic locations such as the entrances to the City so they can be seen by the public.

Mr Mackay explained that the stones were not in the Museum's ownership and required some work by English Heritage to transfer them over. He agreed to look at the matter in more detail.

RESOLVED – That Mr Cooke and Mr Mackay be thanked for their detailed presentation of the Tullie House Business Plan 2017/18 (report SD.29/16).

Report to Executive

Agenda
Item:

A.4

Meeting Date: 19 December 2016
Portfolio: Economy, Enterprise and Housing
Key Decision: Yes: Recorded in the Notice Ref:KD.15/16
Within Policy and Budget Framework NO
Public / Private Public

Title: NORTH WEST COAST CONNECTIONS PROJECT -
S42 CONSULTATION RESPONSE
Report of: Corporate Director of Economic Development
Report Number: ED.43/16

Purpose / Summary:

The report sets out the issues for consideration relating to the National Grid's consultation on the North West Coast Connections project including a draft headline report on the consultation response as it relates to the Cumbria/Lancashire project.

Recommendations:

On consideration of the draft consultation response, it is recommended that the Executive make the following resolutions:

1. That the Executive agrees to submit this report and Appendices as the Council's response to National Grid's formal consultation on the North West Coast Connections Project, and authority is delegated to the Corporate Director of Economic Development in consultation with the Portfolio Holder to agree any amendments.
2. That Executive delegates authority to the Corporate Director of Economic Development in consultation with the Portfolio Holders to approve the technical response prepared by the consultant team on behalf of the Council and the local authorities within the Planning Performance Agreement group.

Tracking

Executive:	19 December 2016
Overview and Scrutiny:	1 December 2016
Council:	

1. BACKGROUND

- 1.1 National Grid plans to build a 400 kilovolt (kV) connection from the proposed Moorside Power Station in West Cumbria to the national electricity grid at Harker, near Carlisle and Heysham, near Lancaster. This project – ‘North West Coast Connections’ – is a nationally significant infrastructure project (NSIP), which will be decided by the Secretary of State through the Development Consent Order (DCO) process.
- 1.2 National Grid is carrying out a public consultation on the North West Coast Connections (NWCC) project from 28th October 2016 to 6th January 2017. This is a formal stage of consultation under Section 42 of the Planning Act 2008 with the public and local authorities, and is the main opportunity to comment on this project before a DCO application is submitted to the Planning Inspectorate, currently scheduled for April 2017.
- 1.3 Members of the Executive previously received report ED.24/12, which related to the consultation on the Strategic Options at its meeting on 2nd July 2012, and report ED. 47/14 on the Routeing Corridor Study and Outline Siting Studies for Associated Infrastructure on the 10th November 2014. On the latter consultation, Members resolved to agree that the emerging preferred route (C2.8) was appropriate, and that detailed routing needs to fully assess impacts and understand the mitigation in relation to: rationalisation of lines (2 instead of one); careful technology choice; maximising economic benefits - using local workforce, using local manufacturers, economic impact assessment; transport plans/construction management; continued involvement in the project.
- 1.4 Carlisle City Council has been involved in the evolution of the project through a Planning Performance Agreement to help steer the project and identify any issues which need to be considered prior to an application being made. This involvement does not prejudice the way the Council should respond to any consultation nor does it prejudice the Council's involvement in later, formal stages of the project, when the council deals directly with the Planning Inspectorate
- 1.5 Carlisle City Council is a statutory consultee in the process as it is a host authority as new infrastructure will be located within its administrative area.

2. PROPOSALS

- 2.1 Section 2 of the attached Economy and Environment Overview and Scrutiny Panel report sets out the details of the proposals and the potential impacts based on consideration of the Preliminary Environmental Information which forms the S42 consultation material.
- 2.2 In consideration of the information the attached report sets out a number of recommendations for the Council's response in relation to a variety of topic areas.

- 2.3 Overview and Scrutiny Panel endorsed those recommendations as well as considering some of the specific details as the project impacts on Carlisle district.
- 2.4 As well as the detail contained in the attached report, Overview and Scrutiny Panel also raised serious concerns about the impact of the 400kV line on the village of Rockcliffe. It was considered that National Grid should reconsider their proposed alignment near to Rockcliffe due to the significant impacts on local residents. At the time of preparing the report further discussions are taking place with residents of Rockcliffe and the Parish Council and Executive Members will be updated on this matter in consideration of the Council's consultation response.

3. CONSULTATION

- 3.1 This is set out in the attached report. At the time of Executive meeting all public consultation exhibitions will have been held and no further events are planned.

4. CONCLUSION AND REASONS FOR RECOMMENDATIONS

- 4.1 At this late stage in the development of the NWCC project, there are significant omissions and gaps in information, which have not been presented with the S.42 consultation and its supporting Preliminary Environmental Information.
- 4.2 There are also major concerns over potential impacts on the environment, especially landscape and visual impacts, and there is scope for further mitigation such as rationalisation of the ENW infrastructure, notwithstanding the level of undergrounding afforded elsewhere on the route of the line.
- 4.3 It was noted that during consideration of the O&S report, officers are still waiting for additional information for specialist advisers and given that the consultation continues until the 6th January additional relevant information may be forthcoming which should be taken into account.
- 4.4 It is therefore recommended that the Executive make the following resolutions:
1. That the Executive agrees to submit this report and Appendices as the Council's response to National Grid's formal consultation on the North West Coast Connections Project, and authority is delegated to the Corporate Director of Economic Development in consultation with the Portfolio Holder to agree any amendments.
 2. That Executive delegates authority to the Corporate Director of Economic Development in consultation with the Portfolio Holders to approve the technical response prepared by the consultant team on behalf of the Council and the local authorities within the Planning Performance Agreement group.

5. CONTRIBUTION TO THE CARLISLE PLAN PRIORITIES

- 5.1 When considering the project as a whole over the time span of construction and installation, the project represents an opportunity to support the growth of high quality and sustainable business and employment opportunities for Cumbria. In addition there may be opportunities to develop a skilled and prosperous workforce fit for the future.

Contact Officer: Chris Hardman

Ext: 7502

Appendices EEOS Report ED.42/16
attached to report:

Note: in compliance with section 100d of the Local Government (Access to Information) Act 1985 the report has been prepared in part from the following papers:

- NWCC National Grid Consultation Information
at www.northwestcoastconnections.com

CORPORATE IMPLICATIONS/RISKS:

Community Services – None

Corporate Support and Resources – The use of a Planning Performance Agreement between the relevant Local Authorities and National Grid has enabled the provision of resources to support the ongoing project.

Economic Development – Contained within the report

Governance and Regulatory Processes – This consultation is a formal process set out under Section 42 of the Planning Act 2008. The subsequent application will be in the form of Development Consent Order submitted to the Planning Inspectorate for determination by the Secretary of State.

Environment and Economy Overview and Scrutiny Panel

Agenda
Item:
A.5

Meeting Date: 1 December 2016
Portfolio: Economy, Enterprise and Housing
Key Decision: Yes: Recorded in the Notice Ref:KD.15/16
Within Policy and
Budget Framework NO
Public / Private Public

Title: NORTH WEST COAST CONNECTIONS PROJECT -
S42 CONSULTATION RESPONSE
Report of: Corporate Director of Economic Development
Report Number: ED.42/16

Purpose / Summary:

The report sets out the issues for consideration relating to the National Grid's consultation on the North West Coast Connections project including a draft headline report on the consultation response attached in Appendix 1.

Recommendations:

That the Panel considers this report and the Headlines Issues contained in Appendix 1, and refers their observations to Executive as the basis of the Council's response to National Grid's formal consultation on the North West Coast Connections Project.

Tracking

Executive:	19 December 2016
Overview and Scrutiny:	1 December 2016
Council:	

1. BACKGROUND

- 1.1 National Grid plans to build a 400 kilovolt (kV) connection from the proposed Moorside Power Station in West Cumbria to the national electricity grid at Harker, near Carlisle and Heysham, near Lancaster. This project – ‘North West Coast Connections’ – is a nationally significant infrastructure project (NSIP), which will be decided by the Secretary of State through the Development Consent Order (DCO) process.
- 1.2 National Grid is carrying out a public consultation on the North West Coast Connections (NWCC) project from 28th October 2016 to 6th January 2017. This is a formal stage of consultation under Section 42 of the Planning Act 2008 with the public and local authorities, and is the main opportunity to comment on this project before a DCO application is submitted to the Planning Inspectorate, currently scheduled for April 2017.
- 1.3 Members of the Executive previously received report ED.24/12, which related to the consultation on the Strategic Options at its meeting on 2nd July 2012, and report ED. 47/14 on the Routeing Corridor Study and Outline Siting Studies for Associated Infrastructure on the 10th November 2014. On the latter consultation, Members resolved to agree that the emerging preferred route (C2.8) was appropriate, and that detailed routing needs to fully assess impacts and understand the mitigation in relation to: rationalisation of lines (2 instead of one); careful technology choice; maximising economic benefits - using local workforce, using local manufacturers, economic impact assessment; transport plans/construction management; continued involvement in the project.
- 1.4 Carlisle City Council has been involved in the evolution of the project through a Planning Performance Agreement to help steer the project and identify any issues which need to be considered prior to an application being made. This involvement does not prejudice the way the Council should respond to any consultation nor does it prejudice the Council's involvement in later, formal stages of the project, when the council deals directly with the Planning Inspectorate
- 1.5 Carlisle City Council is a statutory consultee and this report sets out a proposed response for consideration by Overview and Scrutiny Panel prior to consideration by Executive on the 19th December.

2. PROPOSALS

- 2.1 National Grid plans to build a 400 kilovolt (kV) connection from the proposed Moorside Power Station to the national electricity grid at Harker, near Carlisle and Heysham, near Lancaster. This project will only be implemented if the new nuclear power station at Moorside goes ahead.
- 2.2 The proposed project (the subject of consultation) includes the following principle elements:

- Construction of 400kV transmission connections totalling approximately 163km from Harker to Heysham. This connection comprises overhead lines, underground cables and the use of tunnelling technology;
- Construction of new 400kV substations at Stainburn and Roosecote and extensions to the existing 400kV substations at Harker and Middleton;
- Relocation of existing 400kV overhead line west of Harker;
- Construction of a tunnel beneath Morecambe Bay between tunnel head houses at Roosecote and Middleton (Heysham);
- Modifications to existing 132kV distribution infrastructure and removal of certain existing 132kV overhead lines;
- Works to modify the existing Electricity North West Limited (ENW) 132kV and lower voltage network where necessary to allow construction of the 400kV connections;
- Modifications to the railway network to provide access to temporary rail sidings in certain locations;
- Areas of mitigation, restoration and/or reinstatement; and
- Associated works, for example, temporary access roads, highways works, temporary compounds (rail, helicopter and general construction) two temporary shafts, work sites and ancillary works.

2.3 The area of the consultation is divided up into two parts in order to better help consultees understand the areas that affect them – North (Moorside to Harker near Carlisle) and South (Moorside to Middleton near Heysham in Lancashire). National Grid has further divided these two parts into geographic sections for ease of reference. The Northern connection is divided as follows:

- A1: Moorside to Thornhill
- A2: Thornhill to Whitehaven
- B1: Whitehaven to Seaton
- B2: Seaton to Tallentire
- B3: Tallentire to Aspatria
- C1: Aspatria to Wigton
- C2: Wigton to Harker (part 1 of 2)
- C2: Wigton to Harker (part 2 of 2)

2.4 The Southern connection is divided as follows:

- D1: Moorside to Waberthwaite
- D2: Waberthwaite to Silecroft
- E1: Silecroft to Arnaby
- E2: Arnaby to Lindal-in-Furness
- H1: Lindal-in-Furness to Morecambe Bay
- H2: Morecambe Bay
- H3: Morecambe Bay to Middleton (Lancashire)

2.5 Other proposed works are also proposed at Natland Substation near Kendal.

- 2.6 The areas within the Northern connection affecting Carlisle district are: C2 (Wigton to Harker (part 2 of 2) only. The Draft Order Limits (DOL) for the North route commence at Moorside and ends at the existing 400kV Harker Substation, approximately 5.5km north of Carlisle city centre. The 400kV connection would follow a complete route approximately 81km long. The principal settlements in proximity to the North Route of the DOL are the western and northern urban edge of Carlisle, Great Orton, Cargo and Rockcliffe.
- 2.7 To put the size of the pylons into context with existing 132kV pylons, double circuit pylons and low height double circuit pylons are the two main 400kV designs of pylon for the Project. The 400kV standard lattice pylon is 46.5m high with an approximate arm width of 18.2m. The 400kV low height lattice pylon is 35.3m high with an approximate arm width of 30m. This contrasts with a 132kV standard lattice tower whose height is 26.1m and approximate arm width of 8.4m. A 33kV standard lattice tower height is 18.5m with an approximate arm width of 5.3m.
- 2.8 In terms of other proposed structures, a typical Cable Seal End (CSE) compound would occupy a footprint of up to 100m x 50m for a 400kV double circuit compound with equipment (excluding pylons and gantries) of up to 12m in height. A small control building approximately 4m wide and 3m long would be required in each compound. Each compound would be surrounded by 2.4m high palisade fence, with an electrified fence attached inside up to 1.6m above, to provide protection to the public and the equipment.
- 2.9 132kV overhead lines on lattice pylons or trident wood pole and 33kV overhead lines on lattice pylons connecting to a section of underground cable would commence and terminate at a cable sealing end platform (CSEP) structure. These would comprise a steel platform and steel cable 'ladder' structure. A typical single circuit 132kV CSEP is 7.5m wide and 5m deep and is supported by three vertical steel supports concreted into the ground.
- 2.10 The documents comprising National Grid's consultation can be viewed on National Grid's web site www.northwestcoastconnections.com. Members have been provided with the generic consultation material which is supported by a number of technical reports and drawings/plans.
- 2.11 As an NSIP, the NWCC project needs approval from the Secretary of State through the DCO process. A DCO is a composite consent that avoids the requirement for several different consents for a single project. It can include planning permission, the compulsory acquisition of land and interests in land, the stopping up of highways and highways works. The DCO application is submitted to the Planning Inspectorate (PINS) for determination.
- 2.12 As part of the S.42 consultation, the applicants have provided what is known as a Preliminary Environmental Information (PEI) report, which sets out the likely environmental effects of the development at this stage. The PEI is the precursor to a full Environmental Statement that will be submitted with the DCO.

- 2.13 Carlisle City Council is a statutory consultee in the DCO process and is classified as a 'host authority'. The Council's role as part of the current consultation is to:
- ensure that the developer provides and responds to evidence on likely impacts;
 - develop solutions for how the impacts can be avoided or mitigated;
 - maximise benefits for the local community;
 - consider the prospective detailed terms of any DCO, including requirements (planning conditions) and legal obligations.
- 2.14 The Council (jointly with the other Cumbrian Authorities affected by project, together with Lancashire County Council and Lancaster City Council) has entered into a Planning Performance Agreement (PPA) with National Grid to enable it to engage in a positive way and to reach an informed view on the impacts of the proposal. Consultants WYG are supporting the work of this PPA Group. WYG is preparing the technical consultation response to National Grid's formal consultation on behalf of the PPA Group.
- 2.15 Following submission of the DCO, PINS will have 28 days in which to confirm their acceptance of the application. Within this period, the Council will have 14 days to submit comments on the Adequacy of Consultation. Once the application has been accepted, the Council will be asked to submit relevant representations within the next 28 days. To inform the Examination, the Council will also be invited to submit a Local Impact Report (LIR) and Statement of Common Ground. The LIR sets out the Council's view on how the project will affect the local area and effectively forms the evidence base against which the case will be assessed by PINS for mitigation and or legacy measures sought by the Council. The Council will also submit written representations to the Examining Authority and participate in oral Examination hearings, when invited to do so. The LIR will be approved by Executive prior to submission to PINS.
- 2.16 The expected timetable for the project is as follows:
- | | |
|-------------------------------|------------------------|
| • DCO application submitted | April 2017 |
| • Prepare Local Impact Report | Summer/Autumn 2017 |
| • Examination | Nov 2017 to April 2018 |
| • Consent (if secured) | October 2018 |
| • Construction | 2019 onwards |
| • Operation begins | 2024 |
- 2.17 The Council has worked with the PPA Group authorities to prepare a joint response to the current S.42 consultation (including the PEI report) highlighting the key issues. Appendix 1 provides a summary response setting out the issues of key concern to the Group. The more detailed PPA Group response will be submitted jointly with the support of all the PPA authorities.

Key Issues arising from the S.42 Consultation/PEI report relevant to Carlisle City Council

2.18 The key concerns arising from the current S.42 consultation affecting Carlisle are focused on the following topic areas;

- Landscape and Visual Impact;
- Historic Environment;
- Ecology;
- Socio Economics, Recreation and Land Use;
- Construction and Operational Noise & Vibration;
- Air Quality
- Hydrology and Flood Risk
- Traffic and Transport;
- Lack of Information and Timescales; and
- Community Benefits.

2.19 The following sections consider each of the key topic areas in turn together with appropriate recommendations relating to those areas.

Landscape & Visual Impact

2.20 General concern is raised about the significant impact of the overhead line directly and cumulatively on the landscapes across Cumbria. The proposal incorporates substantial mitigation measures, which are acknowledged including; the deployment of 23.4km (14.5 miles) of new underground cable and removal of the ENW 132kV line through the western section of the Lake District National Park (LDNP), a tunnel beneath Morecambe Bay, to avoid the southern section of the LDNP and a reduction in the extent of existing ENW 132kV lines in the area around the Hadrian's Wall World Heritage Site.

2.21 More locally within Carlisle district between Wigton and Harker (Subsection C2), National Grid is proposing to remove the existing south/eastern ENW 132kV line (closest to Thursby and Baldwinholme) to just south of the roundabout where the A689 meets the B5307, as well as a section of the northern/western existing line where it passes Little Orton; removal of the existing 132kV lines as far as the River Eden and place one underground; remove the western existing 132kV line north of the River Eden. All of these proposals would mean taking down 70 132kV pylons in this subsection, and these mitigation measures are broadly welcomed. In addition, National Grid would remove 20 existing ENW 33kV pylons south east of Great Orton and Little Orton.

2.22 In terms of replacement pylons and line, National Grid would build a 400kV pylon line to be carried by 38 steel lattice pylons (of which 32 would be new) following the route of the existing ENW 132kV pylon lines running north east from north of Woodhouses towards Belle Vue in Carlisle, and then north towards Rockcliffe and would connect into an extended 400kV substation near Harker. National Grid proposes to plant native trees to the east of the properties at Rockcliffe to help screen the 400kV connection.

- 2.23 The existing 400kV substation at Harker would be extended so that the new transmission line would join the national transmission system. The existing road would be diverted around the extension, and native trees would be planted to the north east and west of the proposed 400kV substation extension to help screen it. Two short sections of the existing National Grid and ENW 132kV lines that run north from Harker substation would be placed underground to make space for the substation, and there would be a cable sealing end platform (CSEP) at one end. One new 400kV pylon would be built to the east of the existing 400kV substation at Harker to divert the existing National Grid 400kV pylon line that connects into Harker substation from the east so it connects to the new substation extension
- 2.24 National Grid are proposing to underground almost 700m of the northern/western existing 132kV pylon line closest to Little Orton, and would build a CSEP at either end. A short section of 132kV cable would be undergrounded south of the roundabout where the A689 meets the B5307. Approximately 2.3km of existing 132kV pylon line would be placed underground from just north of the A689 where it meets the B5307 under Hadrian's Wall and the Vallum to the River Eden. National Grid would use a technique to drill under the feature rather than digging a trench but they would need to build a CSEP at either end. This would reduce the number of pylons crossing the Frontiers of the Roman Empire World Heritage Site.
- 2.25 There would be less than 1km of new 132kV pylon line to the west of Cargo, and would connect to the existing 132kV pylon nearest to Cargo to the proposed 2.3km underground cable under Hadrian's Wall. A short section of the existing 132kV line closest to Rockcliffe would be undergrounded where it would cross the 400kV connection. A CSEP would be built at either end. Just less than 1km of new 132kV pylon line south of Rockcliffe would be built to divert a section of the existing National Grid 132kV pylon line and connect it to the short section of underground cable.
- 2.26 There would be site compounds located at: Kingmoor Park Heathlands Estate (site 1), Kingmoor Park Heathlands Estate (site 2) plus a site compound at Harker Substation extension. There would be use of a rail compound at Kingmoor Depot (off Queen's Drive), plus helicopter operating bases near Rockcliffe and at Cargo. Highway works include the construction of new bellmouths at public highway boundaries and the construction of new and resurfaced access tracks.
- 2.27 In terms of the landscape and visual impacts within the Wigton to Harker subsection (C2) affecting Carlisle district, the Solway Coast AONB extends along much of the northern edge of this subsection, and whilst the separation distance between the proposed route and the AONB is generally extensive through the southern and central sectors of the subsection, it extends to within 300m of the route near Rockcliffe, to the north west of Carlisle. As such, predicted effects on the AONB range from Minor to Moderate depending on separation distance.
- 2.28 From east of Wigton, the route extends through an undulating agricultural landscape between Thornby and Great Orton with a small-scale field pattern dissected by hedgerows, tree belts and areas of woodland. Whilst these features often combine to reduce the perception and extent of pylons/overhead line visible,

the scale of the larger 400kV pylons could potentially be significant in this small-scale landscape. It is also noted that the route will extend in proximity to the Watchtree Nature Reserve and Orton Moss SSSI.

- 2.29 Between Little Orton and Cornhill Farm (near the B5307 / A689 roundabout junction), views are generally influenced by the settlement edge of Carlisle, the A689 road corridor, and the existing overhead lines and pylons which extend around the settlement edge. These features often combine to create a more urban context to views and as such, the new 400kV pylons may not appear as prominently in the landscape. This effect will be potentially offset by the larger number of people who will experience views. The proposed route extends to the north west of the existing 132kV line and the pylons will potentially appear more significantly in views from Little Orton and the landscape around Priorwood and Priory Nook.
- 2.30 To the north of Cornhill Farm and the B5307, the route extends across the course of Hadrian's Wall and the Hadrian's Wall Path (long distance path). Whilst it is noted there are already undergrounding proposals for the 132kV line at this location as described above, it is suggested that there is an opportunity to further reduce landscape and visual effects on this important landscape and heritage feature with additional undergrounding of the route at this location. To the north of the River Eden crossing, the route passes in proximity to the edge of the AONB (see above) and the settlements of Cargo and Rockcliffe. Views from these locations are anticipated to be significantly affected by the introduction of larger 400kV pylons.
- 2.31 National Grid has adopted a one-up-one-down principle in relation to the two existing ENW 132kV OHL running between Workington and Carlisle, with a number of other areas where additional lines are removed or transferred underground. Whilst all the mitigation measures outlined above are broadly welcomed, the benefit of the one-up-one-down approach would, to a degree, be offset by the landscape and visual impact of the taller and more bulky form of the 400kV pylons. It is considered by Officers that a pragmatic solution is necessary requiring additional rationalisation than is currently proposed by National Grid, which although they acknowledge would be technically feasible but so far has been dismissed on grounds of cost. The Council would argue that further rationalisation should include the undergrounding of both 132kV lines to address the adverse impacts on the 400kV lines on the landscape set out in this report and the Council's detailed response.
- 2.32 An important issue is the consideration of the effects of the proposed National Grid pylons upon 'valued landscapes' within the rural part of Carlisle. The National Planning Policy Framework (NPPF) states that the planning system should contribute to, and enhance, the natural and local environment by protecting and enhancing valued landscapes where they are not nationally designated. The NPPF does not define what valued landscapes might be. However, recent planning appeal decisions and legal judgements would suggest that the sum of the landscape quality, scenic quality, representativeness and recreational value of a site may set it apart from mere countryside (Stroud District Council v SoS CLG and Gladman Developments Limited [2015] EWHC 488 (Admin)). National Grid must therefore submit evidence to demonstrate that they have considered and assessed whether

there are likely to be any effects on valued landscapes in the rural parts of Carlisle District affected by the development, given the proximity of the Solway Coast AONB, and that landscape character sub-types do not stop at a defined designation boundaries but instead merge across them.

- 2.33 In addition, there remains concern over National Grid's methodology for considering alternative technology across the whole length of the route, which is based on the notion that alternative technologies are only required where there would be 'particularly significant' effects. The use of 'particularly significant' in National Grid's 'Options Appraisal of Alternative Technologies' methodology has set an artificially high bar for the establishment of 'Focus Areas' where they have identified for specific mitigation. Their methodology is not in accordance with current guidance, and is in conflict with National Grid's 'Response to Consultee Feedback to Assessment of Mitigation Options Methodology' (February 2016), which states that mitigation will be considered for the entire length of the route. In this regard, there is concern that whilst 'significant' effects would be measured in the EIA, it is not clear as to why areas within the rural parts of Carlisle have not been considered for appropriate mitigation, where there are significant effects in a way that is both robust and accountable

Cumulative landscape and visual impacts

- 2.31 The cumulative impact of existing vertical infrastructures, which are sequentially visible in the landscape, and which can lead to adverse landscape and visual impacts is a concern, particularly in Carlisle, and the proposed larger 400kV pylons will further worsen the position. The Cumbria Cumulative Impact of Vertical Infrastructure (CIVI) document highlights that there are already significant cumulative landscape and visual effects of vertical infrastructure in the area of the proposed National Grid route, and there has been a clear increase in both off-shore and on-land wind farm development from 2010 onwards, with notable increases within the corridor between Workington and Carlisle.
- 2.32 It is likely that the effects of the 400kV line will result in a more dominant feature in the landscape. It is not clear as to whether sufficient consideration has been given to the effects of the development upon sensitive receptors, including the setting of the Solway Coast AONB within Carlisle, the potential for alternative technology to be used within the Workington to Carlisle corridor, and the need to minimise the cumulative impacts on settlements such as Great Orton, Little Orton, Kirkandrews, Cargo, and Rockcliffe as well as sporadic households in the rural area.
- 2.34 Rationalisation of the Electricity North West (ENW) line has afforded some reduction in overhead line (OHL) clutter in a number of locations in the North Section. However, the Council is seeking more substantial mitigation and there is opportunity for further rationalisation and/or undergrounding across the whole of the north route between Wigton and Carlisle to remove both of the 132 kV pylon lines, but especially so near the western edge of Carlisle and the settlements of Cargo and Rockcliffe.
- 2.35 Whilst the distance of the Solway Coast AONB would suggest that the predicted effect on this important landscape designation is judged to be Minor to Moderate

depending on separation distance, the lack of wireframes provided with the PEI would suggest a need for a further detailed review of the landscape and visual impacts of the development upon the AONB. In this regard, there is concern about the potential effects of skylining in certain areas where there may be adverse effects upon the setting of the AONB and other sensitive receptors. It is not clear as to whether or not National Grid has correctly applied its' own Holford Rules (which seek to avoid the incorrect siting of pylons and lines) in relation to skylining.

Recommendations

- 2.36 A key issue for landscape and visual impact is the cumulative effects of the new 400kV pylons along with the additional 132kV ENW pylons. National Grid must utilise the Cumbria Cumulative Impact of Vertical Infrastructure (CIVI) report to identify and provide further appropriate mitigation in the form of rationalisation of the 132kV ENW line east of Wigton to Harker.

Historic Environment

- 2.37 A major concern is that the desk based assessment and walkover survey of the route corridor has not, as far as we are aware, been completed and the results from this piece of work and other projects that have been recently completed, have not been used in the PEI. We therefore do not feel at this stage that we have all the information available to be able to ascertain the overall impact on the historic environment.
- 2.38 Assets grouped in terms of contemporary usage and date, are grouped within the assessment of setting impacts. Whilst in the majority of cases this is probably an appropriate response, in some individual cases this may not be appropriate mainly due to differences in 'setting' and the level to which setting contributes to the asset's significance. However, overall the majority of the assessments appear to be appropriate.
- 2.39 The 10km distance considered for settings to Frontiers of the Roman Empire (Hadrian's Wall) World Heritage site (FRE WHS) and high grade Listed Buildings and registered Parks and Gardens, and 2km distance for other Listed Buildings and Conservation Areas is unrealistic. It is difficult to envisage the exact impact on parts of the World Heritage Site or Listed Buildings and Conservation Areas without extensive site based assessment without relevant photomontages. The lack of assessment of the effects on views and therefore settings of above ground Heritage Assets using on-site assessments as well as visualisations, including photomontages, seems to be a considerable limitation. This concern is particularly case with regard to the proposed undergrounding beneath Hadrian's Wall WHS (see above Landscape section for description).
- 2.40 Whilst setting can include more than views into, out of and around a Historic Asset, many of these settings have been too narrowly defined, and it is likely that many impacts upon settings will have been missed. Concern is also expressed about the accuracy and relevance of the assessments. More information is required before

settings of Listed Buildings and other above ground Historic Assets have been properly assessed. A key concern is that the PPA Group disagrees with the conclusions of the assessment that there would be “a slight beneficial” significance of effect Frontiers of the Roman Empire (Hadrian’s Wall) World Heritage site (FRE WHS).

Recommendations

- 2.41 A key issue is the lack of information supplied with the PEI in order to assess the potential impacts on heritage assets. National Grid must provide sufficient detailed information to address this issue as part of the Environmental Statement submitted with the DCO.

Ecology

- 2.42 Many of the ecology assessments have been based on incomplete survey data, which will need updating when surveys have been completed. This information will now only be available for incorporation into reports at the ES stage, and so we will not be able to comment on any of the final ecology evaluations and assessments. Survey methodologies appear to be fine but, it is currently difficult to clearly identify a breakdown of all habitats and the degree to which these will be lost. There is inadequate approach and failure to progress with the statutory Habitats Regulation Assessment (HRA) of the impacts of the project on internationally important wildlife.
- 2.43 It appears that the existing incomplete information has been used to scope in or out various designated sites, habitats and species. This approach will not provide a robust assessment until all the information has been considered, and by scoping out features prior to obtaining all the data may result in these features being ignored prior to the final ES.
- 2.44 Clear rationale behind the selection of specific study areas for additional protected species survey and more detailed habitat/NVC survey is not provided, other than an overview of methodology used.
- 2.45 There appears to be a lack of inclusion of undesignated priority habitats in the assessment for each section. Some assessments provide a conclusion of no significant effect despite the fact that surveys are still ongoing. Issues have then been scoped out (habitats and/or species) from certain sections prior to assessing completed survey material.
- 2.46 The present route results in woodland areas, including parts of ancient woodland, being lost or the canopy removed. It appears that some sites or sections that are hydrologically linked to European or International sites have been scoped out. Each subsection lacks any detailed list of qualifying features (SAC, SPA, Ramsar) and interest features (SSSI) which is necessary baseline information to enable assessment of likely significant effects (for example tables just refer to ‘plants’ or ‘habitats’ or ‘birds’).

- 2.47 There is significant risk of wildlife impacts from the spread of invasive species is not adequately assessed and mitigated; this is a major risk from such a large scale linear project. Managing Invasive Non-Native Species (INNS) across the whole project area is vital as the risk of spread from such a major linear project (which will be using mobile teams moving across the development route) is a major biodiversity risk. The significance of this point must be addressed in the ES.

Recommendations

- 2.48 A key issue is the lack of information supplied with the PEI in order to assess the potential impacts on terrestrial and avian ecology. National Grid must provide sufficient detailed ecology information to address this issue as part of the Environmental Statement submitted with the DCO.

Socio Economics, Recreation and Land Use

- 2.49 The project will have a number of direct and indirect impacts on the Cumbrian Economy. In terms of the visitor economy, the NWCC project alone and in combination with other major projects has the potential to disrupt tourist trade through displacement and negative image. There is concern that National Grid has underestimated the impact on the visitor economy across the area, by relying on limited local survey and other national tourism studies. Little primary information regarding the visitor economy has been provided in the PEI, with full assessment of the impact on the visitor sector and visitor perceptions not available until the Environmental Statement, including damage to Cumbria's visitor image/brand. The impact of the project on Public Rights of Way (PRoWs), paths and cycleway could also have significant implication for the visitor economy.
- 2.50 Appropriate mitigation, such as support for marketing and promotional activities are required to counter the disruption caused during the construction period and the negative perception driven by the adverse impact of NWCC on the landscape which attracts visitors.
- 2.51 It is in the interests of National Grid and the local economy for the skills to be locally available and for the businesses to be equipped to become part of the supply chain. Although the number of jobs that would be generated specifically by the NWCC Project for the local workforce in Carlisle may not be substantial, the overall benefits of the scheme have to be seen in context with the indirect benefits of the new nuclear power station at Moorside, where there are likely to be cumulative employment benefits. Nonetheless, there will be a need for a financial commitment from National Grid to invest in local skills development and supply chain capability development. Funding will need to be provided to support training providers in delivering additional training to meet National Grid's requirements, but also to support ancillary skills training to mitigate wider impacts on the labour market.
- 2.52 In terms of skills and supply chain, National Grid has developed an outline Employment and Skills Framework (ESF) that sets out key principles that will be used to provide opportunity to local businesses and workers. National Grid is

proposing that 20% of the project workforce and supply chain would be derived from the local area, which is welcomed as a minimum at this stage. However, detailed analysis of the PEI material must be undertaken to understand the justification and appropriateness of this figure. Additionally, further investigation is required to understand how the appropriate local level of involvement on NWCC will be secured; for example at Hinckley Point C Connections (HPCC) project the equivalent figure was secured by a S.106 Agreement.

- 2.53 In terms of impacts on employment sites within Carlisle, the PPA Group previously suggested a number of sites that should be considered for investment and use within the NWCC Project. The assessment for Section C (Sub-Sections C1 and C2) shows that the Draft Order Limits would affect Kingmoor Park Industrial Estate, Kingmoor Park Rockcliffe, and Kingmoor Park Heathlands Estate. There are no planning land allocations for future development sites that fall within the Draft Order Limit with potential to be affected by the development in the long-term. During the construction phase, proposed site compounds would be located on employment land on Kingmoor Park Heathlands Estate, Harker, Kingmoor Business Park, and west of Kingsway, Carlisle. The assessment considers that given the temporary nature of the compounds the effects are not likely to be significant, especially where in the case of the Carlisle Local Plan support is given to business development. Whilst this may be the case, the amount of land to be taken up by the compounds compared to the available allocations seems large, and hence a concern is raised that this may stifle the long-term future development of these sites unless some form of long-term remediation could be guaranteed. It is also noted that a recent permission has been granted for an Energy from Waste plant on a potential compound site and may not therefore be available. The PPA Group has previously expressed concern regarding the resilience of the ENW infrastructure to flooding does not appear to be addressed, indeed the Carlisle 33kV substation is not included in the project.
- 2.54 The PPA Group has previously provided comment regarding maintaining the integrity of the ENW infrastructure in a number of areas across the route, while also ensuring the opportunity for new connections for both users and producers. National Grid's proposed route makes provision for a number of additional 400kV substations, the extension to a number of 132kV substation and substantial re-configuration of the ENW infrastructure.

Recommendations

- 2.55 A key issue is the need for National Grid to provide appropriate mitigation, such as support for marketing and promotional activities as well remediation of the compound sites are required to counter the disruption caused during the construction period and the negative perception driven by the adverse impact of NWCC on the landscape which attracts visitors. In addition, National Grid must provide a guarantee that at least 20% of the project workforce and supply chain would be derived from the local area, and this must be supported through a legally binding agreement.

- 2.56 More investigation is required to understand the detail of National Grid's proposals to ensure the impacts are considered and where possible legacy can be secured.

Construction and Operational Noise and Vibration

- 2.57 Two main sources of operational noise have been identified in Carlisle:
- Substations, in particular transformers and reactive plant (which are in continuous or semi-continuous operation) and
 - 400kV overhead lines, which can make noise during certain weather conditions (described as wet and dry noise)
- 2.58 In general the approach taken with regard to construction and operational noise and vibration is acceptable, although there are some inconsistencies in the methodology over the sensitivity of receptors and the significance of impact. It is concluded that, with mitigation where appropriate, adverse effects which are significant are not generally likely.
- 2.59 Establishment of the baseline noise conditions should be considered a priority. The assessments and mitigation measures presented are based on assumption of noise levels. Although this could be worst-case and noise levels could be higher, there is also the possibility that the levels are lower.
- 2.60 The suitability of the mitigation measures outlined within the Code of Construction Practice (CoCP) and Noise and Vibration Management Plan (NVMP) can be enforced through planning condition. Given the currently assumed daytime operations within the northern route corridor, this is considered to be a reasonable outcome.
- 2.61 However, there are a number of information gaps, which should be addressed as part of the Environmental Statement (ES), such as source noise levels associated with the proposed helicopter movements / activities (e.g. at Rockcliffe and Cargo). Initial assessment does highlight that there could be significant effects for some properties close to the pylon delivery locations (e.g. at Great Orton). Specific consideration of mitigation will be undertaken to minimise adverse effects and reported within the ES following further investigatory work.
- 2.62 The classing of residential receivers as being of 'medium' sensitivity is also not acceptable. Recommendations have previously been provided by the PPA Group stating that residential/school receptors should be classed as 'high' sensitivity as opposed to being medium sensitivity for noise impacts. This has not been accepted in the submitted assessments and impacts on all the predictions and outcomes. The outcome of the assessments therefore show a potentially more positive outcome for the project than should otherwise be anticipated and is particularly relevant to the areas west and north of Carlisle.
- 2.63 The assessment of the 400kV overhead line noise is reasonable, however there is only limited detail regarding the methodology. The modelling however does not

include noise contribution from the switchgear or auxiliary plant at the substation due to its impulsive nature. No assessment of the proposed 132kV overhead lines or the underground cables is presented, and we would like to see quantitative information relating to the 132kV overhead lines confirming the levels are quiet enough to not have an effect on nearby receptors.

Recommendations

- 2.64 A key issue is that National Grid must work with the Council to provide sufficient information to enable it to understand and for National Grid to address the noise and vibration impacts of the lines and the supporting infrastructure on local communities, especially to the west and north of Carlisle and the key rural settlements affected by the route.

Air Quality

- 2.65 The PEI for Air Quality has considered the effects of the construction phase in accordance with the relevant guidance. However, an assessment of emissions from construction traffic should be undertaken as the EPUK and IAQM document 'Land Use Planning and Development Control: Planning for Air Quality limit on HGVs is triggered particularly in the Wigton to Carlisle Sub Section (C2). The Council is concerned about key road junctions around Carlisle, i.e. Junction 44 of the M6.
- 2.66 Due to the worst case effects on air quality being during the construction phase, and operational air quality effects will be negligible, it is not expected that there will be any significant residual effects.

Recommendations

- 2.67 A key issue is that National Grid must provide evidence of an assessment of emissions from construction traffic from the proposed development.

Hydrology & Flood Risk

- 2.68 Clarification of the appropriate standard of protection from flooding and critical infrastructure needs to be clearly set out and established in the Environmental Statement.
- 2.69 Specific modelling may be required to assess flood risk to take account of the following:
- (i) Any re-assessment of Flood Zones following the December 2015 floods arising from the current EA modelling programme;
 - (ii) Specific modelling of ordinary watercourses and overland flood routes where these are impacted either by the construction works or the permanent works.
 - (iii) Modelling to assess impacts of any stockpiling of materials or re-shaping of land (either permanent or temporary) within Flood Zones 2 and 3 or in areas of identified surface water flood risk

- 2.70 The design appears to be based on 'desk top' studies. At sensitive locations there is uncertainty over the deliverability of the proposed design due to the absence of supporting intrusive geotechnical data; this is particularly important in respect of proposals to use horizontal directional drilling to pass under rivers/estuaries. The potential associated risk could result in forced changes to the location and depth of the crossings, which would have associated wider impacts on other discipline areas.
- 2.71 Careful consideration is therefore required to establish optimal location of crossing of the River Eden in Carlisle, and there is a need to consider potential future lateral migration of the channel and any potential impacts on permanent access tracks and pylon bases; in particular pylon sited just to south of River Eden looks potentially vulnerable to any future lateral migration.
- 2.72 The impacts of surface water flood risk (including overland flows) needs to be considered for both the construction process and on the permanent works.

Recommendations

- 2.73 A key issue is that National Grid must work with the Council to provide sufficient information on the effects of flooding at the crossing of the River Eden.

Traffic and Transport

Transport Strategy

- 2.74 National Grid's conclusion there are no traffic reasons to favour a multi-modal option for moving materials and workers to the construction sites is not agreed. The PPA Group disagrees with the assessment of impacts relating to 'road based' and 'multi-modal' options, and consider that a multi-modal strategy can reduce traffic in certain locations, and a multi-modal approach could have a significant reduction in overall vehicle-kms, especially for HGVs, which might reduce emissions and accidents. These benefits have not been considered in the PEI, which is a considerable shortcoming.
- 2.75 National Grid has suggested that an additional reason for not choosing the multi-modal option through the central strategic route area is the impacts on capacity of the Cumbrian Coast Line (rail). The Council does not agree with this conclusion as the approach should be to provide investment to mitigate rail capacity issues, in order to keep traffic off the highway and also provide a legacy benefit.

Transport Improvements

- 2.76 The NWCC project will generate extensive traffic resulting from the importing (and decommissioning) of material for access and haul roads, construction materials, cabling and waste. The Council is concerned about the cumulative impact of these movements on the transport network, especially if a single source is used and a road based approach is adopted. These measures need to be informed by modelling of traffic flows both for the individual development and for the cumulative impact, and is dependent upon the completion of survey data. Additionally, a

number of rail and road construction sites are proposed to store and deploy materials along the route. Consequently, the impact of the movements is likely to require mitigation measures to address pinch points on the network and improve the local highway network.

Public Rights of Way, Cycle Ways and Paths

- 2.77 The NWCC project will have temporary (during construction) and permanent effect on the PRowS, paths and cycle ways across Cumbria. This will include closures, diversions and a reduction in the amenity and ability of users to enjoy the routes. Nonetheless, a number of specific mitigation measures are proposed in certain locations, such as a proposed Hadrian's Wall Mitigation Plan. National Grid are proposing a package of measures to mitigate the closures and disruption to the routes, and these will be set out in a PRow Management Plan (PMP). However these are not yet known and will need to be clarified prior to the submission of the DCO.

Construction Access points

- 2.78 Additional information has been provided outside the PEI, which show the routes from the main roads, to construction access points. Some of the routes are on narrow lanes with tight bends, sharp crests, narrow bridges, NCN cycle routes or past schools. Measures should therefore seek to provide a high standard of mitigation to address direct and indirect effects. No details of how these routes will be safely managed with the additional HGV flows have been provided. This is particularly important in the area north of Carlisle and should be part of the public consultation.

Recommendations

- 2.79 A key issue is that National Grid must take a multi-modal approach to the project, and they must provide investment to mitigate rail capacity issues, in order to avoid cumulative impacts and keep traffic off the highway and also provide a legacy benefit. A satisfactory PRow Management Plan must also be made available prior to the submission of the DCO, and measures should be provided to ensure that a high standard of mitigation is provided for the many construction access points in the interests of highway safety.

Lack of Information and timescales

- 2.80 There has been a general lack of sufficient information presented within the PEI for a full assessment of the potential effects of the development to be carried out by the PPA Group and its specialists. There are gaps as well as assumptions that have been made across a number of topic study areas (whether it is landscape, ecology, noise, hydrology etc), which if carried through to the final Environmental Statement could lead to incorrect assessments and the wrong conclusions drawn on the likely effects. This is addressed in more detail in the topic by topic analysis and will be drawn out in the final PEI response.

- 2.81 These matters will need to be addressed in the final Environmental Statement to be submitted with the DCO application.
- 2.82 The delay by National Grid in presenting material in the PEI has meant that a full consideration of all the documentation presented has been a significant challenge within the timescales to enable the PPA Group to provide National Grid with a properly considered and approved consultation response.

Recommendations

- 2.83 A key issue cross-cutting the whole of the S.42 consultation is the general lack of sufficient environmental and other information to assess the potential impacts of the development on the local area. National Grid must address this issue in order for it to satisfy not only the Local Authorities and their communities but also the Planning Inspectorate and ultimately the Secretary of State.

Community benefits

- 2.84 National Grid are aware of the local desire to secure a community benefit package. Ofgem, National Grid's regulator, will decide whether a community benefit package is justified and clearly sees National Grid's role as a purely statutory one, in that the upgrade to the grid is only taking place because of NuGen's request to connect the Moorside power station. This has implications as to which organisation would be responsible for the negotiation and payment of any community benefit package. However, notwithstanding this the Council will expect National Grid and NuGen to work with local communities to deliver benefits to the local area where the proposal is located.
- 2.85 It is noted that 'Bringing Energy To Life' is National Grid's new community investment programme in the UK. Being piloted this year it funds projects in communities affected by National Grid's operations. Through Bringing Energy to Life, National Grid only fund projects run by charities and community groups that meet local community needs by providing a range of social, economic and environmental benefits. These might include initiatives that support hard-to-reach members of the community improving inclusion and diversity; initiatives that support economic regeneration or prosperity (for example the development of a social enterprise) or initiatives that support a work placement or retraining scheme which increases employability of people disadvantaged in the workplace; or initiatives such as renewable energy or conservation projects that have a direct and positive environmental impact.. Whilst this initiative is recognized, National Grid do not appear to have any community benefit/grant funding scheme for the locality, and in these circumstances it is unlikely that local communities will derive any social or other benefits from the NWCC Project development.

Recommendations

- 2.86 A key issue is the need to address adequate community benefits in Carlisle. It is recommended that further discussion is undertaken with both National Grid and

NuGen on this issue, noting National Grid's 'Bringing Energy to Life' programme, and that the Council's position regarding community benefit is highlighted as part of this consultation response.

3. CONSULTATION

- 3.1 The NWCC Project is being put forward by National Grid and Carlisle City Council is a statutory consultee, and therefore it has a direct role in the consultation procedure and the timescales. However, National Grid's Statement of Community Consultation (SoCC) has been considered by the PPA Group and has sought to achieve maximum public engagement with all stakeholders during the process. However, there is a serious question over the adequacy of the timescales that have been allowed for in this S.42 consultation, given the magnitude of the project and the timing of the consultation to include the Christmas Holiday period.
- 3.2 Members will note that this report and Appendix 1 relates to the headline issues and has had to be prepared early on in the consultation period in order to meet the Council's required deadlines for publication of reports. The PPA group of authorities is also preparing a more detailed technical response to support all the headline issues however this involves a number of specialists to advise the authorities. This work is currently ongoing and officers are involved in that process in order that the detailed concerns will be raised with National Grid to supplement the Council's individual response.

4. CONCLUSION AND REASONS FOR RECOMMENDATIONS

- 4.1 At this late stage in the development of the NWCC project, there are significant omissions and gaps in information, which have not been presented with the S.42 consultation and its supporting Preliminary Environmental Information.
- 4.2 There are also major concerns over potential impacts on the environment, especially landscape and visual impacts, and there is scope for further mitigation such as rationalisation of the ENW infrastructure, notwithstanding the level of undergrounding afforded elsewhere on the route of the line.
- 4.3 It is recommended that the Panel considers this report and the Headlines Issues contained in Appendix 1, and refers their observations to Executive as the basis of the Council's response to National Grid's formal consultation on the North West Coast Connections Project.

5. CONTRIBUTION TO THE CARLISLE PLAN PRIORITIES

- 5.1 When considering the project as a whole over the time span of construction and installation, the project represents an opportunity to support the growth of high quality and sustainable business and employment opportunities for Cumbria. In addition there may be opportunities to develop a skilled and prosperous workforce fit for the future.

Contact Officer: Chris Hardman

Ext: 7502

**Appendices
attached to report:**

Note: in compliance with section 100d of the Local Government (Access to Information) Act 1985 the report has been prepared in part from the following papers:

- NWCC National Grid Consultation Information
at www.northwestcoastconnections.com

CORPORATE IMPLICATIONS/RISKS:

Community Services – None

Corporate Support and Resources – The use of a Planning Performance Agreement between the relevant Local Authorities and National Grid has enabled the provision of resources to support the ongoing project.

Economic Development – Contained within the report

Governance and Regulatory Processes – This consultation is a formal process set out under Section 42 of the Planning Act 2008. The subsequent application will be in the form of Development Consent Order submitted to the Planning Inspectorate for determination by the Secretary of State.

NORTH WEST COAST CONNECTIONS PRELIMINARY ENVIRONMENTAL IMPACT HEADLINES REPORT

Prepared on behalf of the PPA Group Authorities



Document control

Document:	PRELIMINARY ENVIRONMENTAL IMPACT HEADLINES REPORT
Project:	North West Coast Connections
Client:	PPA Group Authorities
Job Number:	A072895
File Origin:	

Date:	8 November 2016	
Prepared by:	Checked by:	Approved By:
Graham Hale & John Leggett	Peter Shannon	Lynne Thomas
Description of revision:		
Style: Addition of PPA Group comments, changes to format, clarification and typographical points		

Revision:	Version 1	
Date:	15 November 2016	
Prepared by:	Checked by:	Approved By:
Peter Shannon	Lynne Thomas	Lynne Thomas
Description of revision:		
Addition of summary table with key issues (from Core group 161109)		

Revision:	Version 3 Committee FINAL	
Date:	17 November 2016	
Prepared by:	Checked by:	Approved By:
Lynne Thomas	Peter Shannon	Peter Shannon
Description of revision:		
Revision of Summary table as per Core Group Plus 161115		



Contents

1.0 Introduction3

2.0 Key Headline Issues5

3.0 Emerging Preliminary Environmental Impact Headlines 11

 3.1 Landscape and visual impact11

 3.2 Socio-economics, recreation and land use15

 3.3 Tunnel head impacts at Barrow and Heysham19

 3.4 Transport and connectivity21

 3.5 Terrestrial and avian ecology.....25

 3.6 Historic environment and cultural landscapes27

 3.7 Project wide comments28



1.0 Introduction

- 1.1.1 The PPA Group welcome National Grid's commitment to meaningful engagement on project design including technology choices and the significant mitigation that is required. The Group are pleased the informal engagement undertaken thus far has resulted in significant and much needed mitigation.
- 1.1.2 Based on the available information during the Route Corridors consultation (2014) the PPA Group provided positive feedback and support for the 'Onshore North' and 'Onshore South with Tunnel Option' including the Morecambe Bay tunnel.
- 1.1.3 The PPA Group have previously expressed support for the principle of rationalisation of existing overhead lines, therefore, the provision to take down lines is supported so long as the integrity of the electricity distribution network and connection opportunities is not be weakened as a result. Additionally, the Group consider that there are a number of locations where additional lines need to be removed to provide appropriate mitigation.
- 1.1.4 Furthermore, the principle to develop a new 400kV underground cable through the western section of the Lake District National Park is strongly supported, given the alternatives. However, the implications of undergrounding on other topic areas, such as ecology and historic environment must still be addressed. Furthermore, the decision to remove the existing Electricity North West (ENW) 132kV overhead line (OHL) is also strongly supported, given the benefit this will have on the landscape and views in the area.
- 1.1.5 The PPA Group welcomes continued engagement with National Grid and considers that adequately addressing the impacts raised in this paper will minimise the risks to the project through the DCO process, protect our communities and increase delivery certainty for National Grid. The Group wants to continue to engage in positive dialogue to enable delivery of the NWCC project in a way that meets both national and local needs, and is consistent with legislation and government policy.



1.2 Document purpose and structure

- 1.2.1 This report provides a summary of the PPA Group's emerging consultation response and an outline of the headlines from the evaluation of the North West Coast Connections (NWCC) Preliminary Environmental Impact (PEI) Report issued for consultation by National Grid on 28 October 2016. The PEI Report provides a preliminary environmental assessment of the Project and proposed mitigation measures drawing on currently available information
- 1.2.2 This Headlines Report has been drafted in advance of the PPA Group Joint Specialist Response to provide the PPA Group members with an indication of the key emerging issues at an early stage. It is intended that this Report will assist in the development of a joint PPA Group position on issues and help meet challenging committee schedules required for formal Council approval.
- 1.2.3 The Report has been informed largely by the views of topic specialists from WYG supplemented by comments from the PPA Group Authorities where available. It is based on a broad assessment of the extensive documentation and therefore, is subject to change as specialist assessments are undertaken.
- 1.2.4 The remainder of this Report is structured as follows:
- Section 2 provides an over view of the key headline issues; and
 - Section 3 provides additional detail on the headline issues.

2.0 Key Headline Issues

Landscape and visual impact

Summary key points	
Baseline <ul style="list-style-type: none"> Baseline information is sufficient but further engagement is required as the project moves towards the development of the Environmental Statement and DCO submission to develop a more refined assessment that considers additional visual impacts especially from community user/receptor perspective. 	
Methodology <ul style="list-style-type: none"> The methodology for identifying areas where mitigation is required and options should be assessed is flawed; adopting 'particularly significant' as the bar for mitigation need is not consistent with the EIA Regulations There is a flawed interpretation of national policy and guidance that defines and protects the Lake District National Park and its setting. There has been a misrepresentation of the visual impact through use of photomontage tools. The recently updated Cumulative Impact of Vertical Infrastructure tool does not form part of the methodology for the assessment set out in the PEI Report. The PPA Group do not agree with that National Grid's rationalisation policy (one-up-one down) results in a benefit. 	
Assessment <ul style="list-style-type: none"> Cumulative and sequential impact is not adequately considered in the assessment along whole route. Specifically, the experience of visitors to the Lake District National Park protected landscape have not been adequately evidenced or addressed including the cumulative impacts of viewing this linear project. The application of the National Grid's methodology including the Options Appraisal of Alternative Technologies methodology has resulted in the establishment of inappropriate areas for mitigation of the NWCC project. This has led to a piecemeal approach to mitigation and the consideration of alternative technologies. 	
Mitigation <ul style="list-style-type: none"> Lack of appropriate mitigation of landscape and visual impacts arising from the use of over head lines; in particular within the landscape setting of the Lake District National Park, and related to cumulative impact to the east of Whitehaven, east of Workington following the existing 132kV line north and in the area of the Hadrian's Wall World Heritage Site. The PPA Group disagree with the assessment and rejection of alternative options for the Duddon Estuary, including a tunnel option, which are based on the flawed assessment of impacts within the landscape setting of the National Park. 	

Visitor economy

Summary key points	
<p>Baseline</p> <ul style="list-style-type: none"> The baseline data set out within the PEI Report in relation to socio-economics, recreation and land use is generally derived from the appropriate sources. However, there is an overreliance on evidence from past projects, particularly in relation to the effects on the visitor economy. There is a failure to provide adequate information and evidence on the impact on the visitor economy of Cumbria, which is the largest sector in the County's economy and growing. In particular, there is a lack of evidence to support National Grid's position that Cumbria's visitor image/brand will not be significantly damaged. 	
<p>Methodology</p> <ul style="list-style-type: none"> Although the overall approach to the identification and assessment of socio-economic effects is considered to be appropriate, at this stage, there is limited analysis of the Project's alignment with key local and sub-regional policy, specifically in terms of the visitor economy; Importantly, National Grid have failed to acknowledge the unique character of the Lake District National Park. The methodology adopted to assess the deterrence effect on visitors draws upon the results of survey evidence from other previous projects which raises several important issues; the transferability to NWCC study area, robustness and validity of this original research is uncertain, and there is substantial methodological criticism of the focus on survey-based approaches to evaluating impacts. 	
<p>Assessment</p> <ul style="list-style-type: none"> Key risks and impacts to visitors' enjoyment of Cumbria's landscapes and environment through access and recreation have not been adequately assessed. In particular, the issues associated with negative effects on visitor perceptions, as demonstrated by the recent floods, should be recognised. In addition, as previously noted, the PEI Report does not adequately assess the significance of impact at the local level. The impact of disruption to public access and to road and rail transport networks has not been properly considered. The emerging assessment underestimates the project's impact on the visitor economy in Cumbria. 	
<p>Mitigation</p> <ul style="list-style-type: none"> There is a lack of appropriate mitigation of visitor economy impacts, including damage to Cumbria's visitor image/brand. There is a lack of appropriate mitigation for disruption to public access and to road and rail transport networks. It is considered that appropriate mitigation, such as support for support small and medium sized businesses in the visitor economy and marketing and promotional activities are required to counter the disruption caused during the construction period and the negative perception driven by the adverse impact 	

of NWCC on the landscape which attracts visitors.	
---	--

Tunnel head impacts at Barrow and Heysham

Summary key points	
Baseline <ul style="list-style-type: none"> There is inadequate information provided on the storage, movement and final destination of tunnel spoil. No clear information on the need, purpose or use of the temporary works at the tunnel-heads. Noise, vibration, air quality, light, ecology and residential amenity impacts of development at the tunnel-head sites are not adequately stated. Transport assessments have not been carried out. 	
Methodology <ul style="list-style-type: none"> The PPA Group disagree with the determination of high sensitivity receptors assessment. Standard noise criteria for assessment is inadequate for project of this scale and location. 	
Assessment <ul style="list-style-type: none"> As the baseline data is largely absent the impacts have not been adequately measured and assessed. National Grid have drawn conclusions on accommodation availability. However, there is a lack of clarity regarding the required collaboration with accommodation providers to overcome existing shortfalls and/or raise standards of suitable worker accommodation. 	
Mitigation <ul style="list-style-type: none"> No meaningful mitigation is proposed to treat the noise, vibration, air quality, light, ecology or residential amenity impacts. No mitigation is proposed to address the impacts caused by the storage, movement and final destination of tunnel spoil. There is incomplete workforce planning and accommodation proposals at the tunnel-heads. 	

Transport and connectivity

Summary key points	
Baseline <ul style="list-style-type: none"> The PPA group are significantly concerned that the baseline is insufficient to allow selection of road or multimodal strategy. There is a lack of appropriate modelling of traffic flows to allow assessment and conclusions to be drawn. 	
Methodology <ul style="list-style-type: none"> A method has not been proposed to enable the selection of the road or multi-modal strategy. 	
Assessment <ul style="list-style-type: none"> The key risks and impacts of traffic movements have not yet been addressed. 	

<ul style="list-style-type: none"> The PPA group strongly disagree with National Grid's assessment that railway capacity issues should be a reason for not selecting the multi-modal option. The approach should be to mitigate the rail capacity issues, which would keep traffic off the highway and also provide a legacy benefit. Furthermore, the PPA Group disagree with the assessment of impacts relating to the 'road based' and 'multi-modal' options. The multi-modal option will reduce the scale of HGV movements in some areas, which could have safety and environmental benefits. Fundamentally, the cumulative impacts have not yet been assessed. Key risks and impacts on PRoW and cycle paths have not been adequately addressed. 	
Mitigation <ul style="list-style-type: none"> There is a lack of appropriate mitigation measures and improvements to address the traffic impacts on the highway network. These measures need to be informed by modelling of traffic flows both for the individual development and for the cumulative impact, and is dependent upon the completion of survey data. Mitigation should also address the following, for which no detail has yet been provided; the safe management of traffic on minor roads; the impact of worker accommodation locations – for example for the underground section within the National Park, and the implementation of Travel Plans. The PPA Group are concerned that the PRoW Management Plan has yet to be developed. Additionally, the economic impacts upon the visitor economy need to be assessed. Measures should seek to provide a high standard of mitigation to address direct and indirect effects. 	

Skills and supply chain

Summary key points	
Baseline <ul style="list-style-type: none"> The baseline data set out within the PEI Report in relation to skills and supply chain is derived from the appropriate sources, however, there is little detail available to assess the implications. 	
Methodology <ul style="list-style-type: none"> The methodology is as considered to be appropriate at this stage, and is consistent with that used for other major projects. 	
Assessment <ul style="list-style-type: none"> The PEI Report recognises that there are no published standards that define the sensitivity and magnitude of socio-economic effects. However, the overall conclusions are considered to be reasonable and consistent with that used for other major projects. 	
Mitigation <ul style="list-style-type: none"> Initial work towards an Employment and Skills Framework is welcomed, however, it is disappointing that the content of the consultation proposals on what measures will be put in place to achieve the targets and objectives is at this stage inadequate to provide support for the proposals. 	

<ul style="list-style-type: none"> • The PPA Group support the commitment to secure 20% as a minimum of the workforce from the local labour market – however, National Grid must provide commitment to providing support to target those that are currently economically inactive to help ensure they can secure work. • It is in the interests of National Grid and the local economy for the skills to be locally available and for the businesses to be equipped to become part of the supply chain. There will be a need for a financial commitment from National Grid to invest in local skills development and supply chain capability development. • There will need to be appropriate training facilities provided not only to support the existing population but also to help attract new workers and their families to come and work in Cumbria. 	
--	--

Ecology

Summary key points	
Baseline <ul style="list-style-type: none"> • The baseline fails to provide adequate information and evidence to enable assessment of risks and impacts on key habitats and protected species. • There is an inadequate approach and failure to progress with the statutory Habitats Regulation Assessment (HRA) of the impacts of the project on internationally important wildlife. 	
Methodology <ul style="list-style-type: none"> • The potential risk to biodiversity from the spread of invasive species from the construction of the project has been inadequately addressed in the methodology. 	
Assessment <ul style="list-style-type: none"> • The assessment of impacts on habitats and species have been made in the absence of completed surveys. 	
Mitigation <ul style="list-style-type: none"> • Lack of appropriate mitigation and compensation for impacts on habitats and species The PPA Group would expect these to be measures such as avoiding key hotspots, inadequate construction methods and lack of information regarding compensation for loss and disturbance. • Significant risk of wildlife impacts from the spread of invasive species is not adequately assessed and mitigated; this is a major risk from such a large-scale linear project. 	

Historic environment and cultural landscapes

Summary key points	
Baseline <ul style="list-style-type: none"> • Inadequate evidence of impacts to the historic environment and archeology; in particular from underground construction methods including cabling in the LDNP and Roman Empire (Hadrian's Wall) World Heritage site. • The baseline focuses on providing information and evidence relating to 	

archaeology, and is inadequate for listed buildings and Conservation Areas.	
Methodology <ul style="list-style-type: none"> Key risks and impacts to World Heritage Sites are not adequately addressed. In particular, only one of the three key features of the English Lake District nominated World Heritage Site have been considered. There is no evaluation of the setting of other elements of the historic environment for example listed buildings and Conservation Areas. 	
Assessment <ul style="list-style-type: none"> Inadequate assessment of impacts to the historic environment and archeology. This includes; historic buildings and underground construction methods including cabling. The PPA Group disagree with the conclusions of the assessment that there would be "a slight beneficial" significance of effect Roman Empire (Hadrian's Wall) World Heritage site and the candidate English Lake District. 	
Mitigation <ul style="list-style-type: none"> Without an appropriate evidence base and assessment the PPA Group are unable to provide comment on mitigation measures. 	

3.0 Emerging Preliminary Environmental Impact Headlines

3.1 Landscape and visual impact

Mitigation Methodology

- 3.1.1 Fundamentally, National Grid's approach to landscape mitigation, including the Options Appraisal of Alternative Technologies methodology (OAAT) remains flawed. The PPA Group concerns appear not to have been addressed; therefore, the application has resulted in the establishment of inappropriate areas for mitigation of the NWCC project. This has led to a piecemeal approach to mitigation and the consideration of alternative technologies.

Undergrounding in the National Park

- 3.1.2 The principle to provide 23.4km (14.5 miles) of new 400kV underground cable through the western section of the Lake District National Park (LDNP) is welcomed. The decision to remove the existing Electricity North West 132kV overhead line is also welcomed, given the benefit this will have on the landscape.
- 3.1.3 However, the implications of undergrounding on other topic areas, such as ecology and historic environment must be addressed. Additionally, there is a need to consider the appropriate location for the Compound Sealing End (CSE) required as an interface between OHL and the section of underground cabling. The long-term reversible effects of the vegetation loss and disruption to landscape pattern and features due to the implementation of the undergrounding do not appear to have been fully considered. The undergrounding is a major engineering development, and needs to be addressed in far greater detail than is currently in order to understand the potential scale of the temporary disruption to the landscape.

Impacts of the Special Qualities and Setting of the National Park

- 3.1.4 The proposals for use of pylons and associated cabling within the setting of the Lake District National Park are a major concern. The LDNPA and the PPA Group has very clearly and over a long period of time raised strong concerns about impacts affecting landscape character and views in to and out of the National Park. The PPA Group disagree with the assessment of impacts on the landscape setting of the Lake District National Park; particularly the flawed assessment of national policy and guidance that defines and protects the setting. The Group are concerned that this has led to an inappropriate proposal and the a lack of the required mitigation.

3.1.5 The PEI makes little reference to the 'setting' of the LDNP. The PPA Group's position stated within the Stakeholder Feedback Questionnaire issued in September 2016 was clear that consideration of the wider landscape setting of the Lake District National Park is also of equal importance. Therefore, it is considered that the approach to mitigation currently proposed by National Grid is particularly deficient in its assessment of the effects on the 'setting' of the Lake District National Park.

3.1.6 Three issues on setting arise –

- Definition of setting in policy - this is a flawed definition that can be strongly challenged. It fails to consider the long established definition of setting for Protected Landscapes of assessing impacts from within AND outside of the designated area;
- Definition of setting for the NWCC project - the application of National Grid's flawed definition of the setting set out above leads to a flawed assessment in the PEI in section 6A.3. The impact on receptors is framed entirely by those receptors within the National Park only;
- Landscape character types - the failure of the PEI assessment of landscape and visual impacts to recognise the continuity of landscape types and topography across the National Park boundary is a significant flaw that can be challenged.

3.1.7 The route to the north of the LDNP is to be carried on lattice pylons whilst the section through the LDNP is proposed to be undergrounded from the location of the CSE compound located to the north of Drigg. The baseline description of the area provides a description of the existing landscape and visual context; however, the presence of the Low Level Waste Repository at Drigg is a large repository site within the Subsection and is not referenced. The presence of this site is of particular importance in the consideration of the setting of the LDNP and the proposed 400kV route.

- 3.1.8 It is noted that there is a short length of undergrounding extending south of the LDNP boundary to a CSE at Silecroft, which is welcomed. However, following a preliminary review of the part of the Subsection that runs from the head of Duddon Estuary over the mosses to Kirkby-in-Furness, we would question why this section of the route is above ground when it forms the setting of the LDNP. Although, the alignment of the route is outside the boundary line of the LDNP designation, the area of land is of similar/equal value and susceptibility as the LDNP in landscape terms in providing the setting to the LDNP. It is therefore considered that this section should be considered for undergrounding. This option would avoid the considerable problems raised by the proposed route across Foxfield Ridge and the Duddon Mosses SAC, as well as in the setting of the LDNP that have been identified in the Duddon Estuary. Whilst we acknowledge that designing a route crossing the Duddon Estuary is challenging, it is vital that the appropriate design and mitigation is provided.
- 3.1.9 National Policy EN-1, DCLG guidance, the Electricity Act 1995 as well as current planning practice make it clear that the 'setting' of National Parks should be considered in the same way as those areas within the National Park. However, the approach to mitigation currently proposed by National Grid is particularly deficient in its assessment of the effects on the 'setting' of the Lake District National Park. Consideration of the wider landscape setting of the Lake District National Park is also of equal importance along the whole route of the NWCC Project. Landscape planning guidance from DCLG, including that shown on its website, provides clarity that development by 'relevant authorities' impacting on the setting of National Parks should be considered in the same way as those within the National Park. There is a long-established recognition that the legislative and policy framework, including current planning guidance, provides protection of the setting of National Parks. Although these areas are not designated as National Park, developments within the setting can impact upon their statutory purposes and Special Qualities.

The Duddon Tunnel

- 3.1.10 The PPA Group had also recommended undergrounding beneath the Duddon Estuary to avoid major adverse impacts, particularly at the Foxfield Ridge and the Duddon Mosses SAC, plus the wider landscape setting of the LDNP (see points above about setting of the LDNP). This would also avoid significant visual, landscape and community impacts of the proposals in the vicinity of Kirkby in Furness and Beckside and further south.

- 3.1.11 However, this recommendation has not been taken forward as part of the consultation proposals. The PPA Group disagree with the assessment and the rejection of alternative options for the Duddon Estuary, including a tunnel option, which are based on the flawed assessment of impacts within the landscape setting of the National Park.

Cumulative Impact

- 3.1.12 The cumulative impact of the vertical infrastructure, particularly in Allerdale, and Carlisle and north Copeland, and in parts of the Furness peninsula is already a concern and larger pylons will further worsen the position. Rationalisation of the Electricity North West (ENW) line has afforded some reduction in OHL clutter in a number of locations in the North Section and notably in the LDNP; however, this does not go provide sufficient mitigation (see below). The PPA Group do not consider that the PEI provides sufficient details to understand the cumulative impact of the project and further assessment is required to assess the impact of the new OHL cumulatively with the existing lines.

Electricity North West Rationalisation

- 3.1.13 National Grid has adopted a one-up-one-down principle in relation to the ENW 132kV OHL, with a number of other areas where additional lines are removed or transferred underground. These are largely focused on the North Section of the route, with additional rationalisation; in the area around the Hadrian's Wall World Heritage Site (WHS), a section at Broughton Moor and in the area north of Westlakes Science Park. However, The PPA Group do not consider that the appropriate level of mitigation of landscape and visual impacts arising from the use of pylon and overhead cables has been proposed. In particular, to the north of the Moorside site, east of Whitehaven, east of Workington following the existing 132kV line north, and Hadrian's Wall World Heritage Sites.
- 3.1.14 Although the additional rationalisation is largely welcomed where the 132kV cable is undergrounded there are concerns regarding the appropriate positioning of Cable Sealing End Platform Pylons (CSEPP), particularly where these are close to the highway or existing properties. This infrastructure is also required where 132kV and below OHL is placed underground to facilitate the cross of the new 400kV OHL.

Electricity North West 132kV Trident over head line

- 3.1.15 A new 132kV trident route on timber poles extends from Millom and converges with the proposed 400kV route near The Green, extending north beyond the 400kV route round the head of the Duddon Estuary. This line has just been revealed and is required to provide a 132kV connection to the Millom area and specifically the Haverigg wind farm extension. The line connects to a 132kV substation (not proposed within NWCC) and is considered to provide an ungraded local electricity distribution network, as well as connection opportunities in the areas of Millom.
- 3.1.16 The principle of upgrading the network in the Millom area is welcomed, however, it is considered that this route, albeit on timber poles, will result in a notable increase in visual clutter within the bottom of the valley. There is also concern about the additional visual clutter from the 132KV trident line and associated sealing end pylons around the wider Duddon estuary including at Foxfield, Kirkby in Furness and south to Lindal in Furness.

Methodology

- 3.1.17 The PPA group are very concerned by the lack of wireframe diagrams to support the photomontages. These make assessment of the impacts, particularly on skylining of the pylons and other infrastructure, difficult to assess. These have been requested by the PPA Group over a long period. While National Grid has very recently agreed to provide some basic wireframes for some viewpoints, this does not fully address the lack of vital information as a key tool for Landscape and Visual Impact Assessment.
- 3.1.18 The selection of viewpoints for photomontages included in the PEI fails to address some of the concerns posed by the proposals. For example, the PEI viewpoints within the Whicham Valley fail to help assessment of the impact to receptors at lower elevation and from the coastal plain around Silecroft. These locations are within the setting of the National Park, and the PPA Group has been clear that this is a sensitive location. It is a flaw in the PEI to fail to adequately cover them in the viewpoint and photomontage assessments.

3.2 Socio-economics, recreation and land use

Visitor Economy

- 3.2.1 The NWCC project alone and in combination with other major projects has the potential to disrupt tourist trade through displacement and negative image. The PPA Group is concerned that National Grid underestimates the impact on the visitor economy across the area, by relying on limited local survey and other national tourism studies. Limited primary information regarding the visitor economy has been provided in the PEI, with full assessment of the impact on the visitor sector and visitor perceptions not available until the ES. The PPA Group consider that National Grid have failed to provide adequate information and the level of assessment required to understand the key risks and impacts on the visitor economy.
- 3.2.2 The impact of the project on Public Rights of Way (PRoWs), paths and cycleway could have significant implication for the visitor economy. This issue is set out below under paragraph 3.4.11 and 3.4.11.
- 3.2.3 The PPA Group consider that there is a lack of appropriate mitigation of visitor economy impacts, including damage to Cumbria's visitor image, and the disruption to public access, road and rail transport networks. Appropriate mitigation, such as support for small businesses and marketing and promotional activities are required to counter the disruption caused during the construction period and the negative perception driven by the adverse impact of NWCC. In addition to specific mitigation measures for key tourism and visitor economy assets affected.

Skills and Supply Chain

- 3.2.4 The PPA Group consider that there is inadequate detail in the PEI to understand the impacts and assess the extent to which these are addressed. Initial work on an Outline Employment and Skills Framework (ESF) is encouraging, however, it is disappointing that measures, targets and objectives are not available at this stage to support the proposals.
- 3.2.5 Review of the PEI reveals that National Grid is proposing that 20% of the project workforce and supply chain would be derived from the local area, however, detailed analysis of the PEI material must be undertaken to understand the justification and appropriateness of this figure. While the commitment to secure 20% as a minimum is welcomed, further investigation is required to understand how this level of involvement on NWCC will be secured; the Hinkley Point C Connections project secured a similar undertaking by a S.106 Agreement.

- 3.2.6 Furthermore, the PPA Group consider that it is in the interests of National Grid and the local economy for the skills to be locally available and for the businesses to be equipped to become part of the supply chain. However, this needs commitment from National Grid to invest in local skills development and supply chain capability development. Additionally, as part of the package of measures National Grid and their contractors should commit to target economically inactive people in the area and the recruitment of apprentices to support local skills training and development. These measures will help mitigate displacement impacts, however, they will require a funded programme of intervention and support and a commitment from Grid (and their contractors) to recruit from the pool of people that are supported.
- 3.2.7 The PPA Group are concerned that there is very limited detail on mitigation measures that will be required to address the impacts of the NWCC Project, and therefore, few details of how the mitigation will be secured and monitored. It is important that National Grid;
- makes clear and early commitments to providing funding to support the development of local business capability and capacity, working with the LEP and other local partners, through the development and implementation of a supply chain strategy..
 - progresses the development of a detailed skills action plan to ensure that there is investment in skills development in advance of construction in order to facilitate employment and training of local people.
 - makes early commitments to capital investment in training facilities.
 - provides a clear procurement strategy and to develop specific interventions with measurable and enforceable targets that capture the local benefit for Cumbrian businesses.
- 3.2.8 Additionally, the PEI suggests that the need for investment in education and training facilities will be explored further, and if there is a need, any proposed support and investment measures will be reported in the Employment and Skill Framework and submitted with the DCO. The PPA group consider that such investment is required for appropriate training facilities provided not only to support the existing population but also to help attract new workers and their families to come and work in Cumbria. However, an understanding of the delivery mechanism is required to evaluate the appropriateness of this undertaking. It is also suggested that

Employment sites and land allocations

- 3.2.9 The PPA Group previously suggested a number of sites that should be considered for investment and use within the NWCC Project. A number of these have been proposed for use as construction, rail and helicopter compounds, notably sites at; Port of Workington and Kingmoor Park Lillyhall, Wigton, Aspatria, Flimby, and Heysham. There are also potential effects on land allocations at Barrow Port and Marina, as well as employment and current planning applications proposed for Roosecote Power Station, and land at Heysham, Heysham Port and Heysham Moss. The PEI considers that the likely effects of the NWCC Project would not be significant during both the construction and operational phases. Permanent land take effects would occur in relation to the proposed Tunnel Head and substation areas at Roosecote and Middleton. As both of these areas of ground are currently vacant at present, the PEI states that their use is expected to lead to longer-term beneficial effects. Similarly, their use is considered in the PEI to be consistent with policy objectives as set out in the respective Development Plans.
- 3.2.10 The assessment for the North Route identifies a number of planning site allocations in Local Plans, where there could potentially be conflicts during the construction phase. These include: the Ehen/Keekle Valleys Tourism Opportunity Site and the Whitehaven Eastern Relief Road; a possible Opportunity Site at Hensingham Common comprising 16ha of employment land of which 1.8ha would be used as a site compound; Whitehaven Commercial Park, Lillyhall Industrial Estate and Derwent Forest Site; Kingmoor Park Industrial Estate, Kingmoor Park Rockcliffe, Kingmoor Park Heathlands Estate, and land at Station Road Wigton. In terms of the operational phase, only the Ehen/Keekle Valleys Tourism site would seem to have any long-term effects, as all the others would be used for temporary site compounds.
- 3.2.11 In terms of the South Route, further investigation is required to assess the impacts on allocations described above especially in Barrow and Heysham. In addition the above new permanent lattice trident terminal pylons (with laydown), are shown to be located within the site boundary of a housing site next to Burlington School in Kirkby-in-Furness, which is allocated in the SLDC Land Allocations DPD. This will cut across the allocated site and could have a negative effect on the allocation.
- 3.2.12 Further investigation will be undertaken within the detailed response to understand the detail of National Grid's proposals to ensure the impacts are considered and where possible legacy secured.

Ability to connect to the ENW network

- 3.2.13 The PPA Group has previously provided comment regarding maintaining the integrity of the ENW infrastructure in a number of areas across the route, while also ensuring the opportunity for new connections for both users and producers. National Grid's proposed route makes provision for a number of additional 400kV substations, the extension to a number of 132kV substation and substantial re-configuration of the ENW infrastructure. Initial review of the PEI suggests that reconfiguration of the infrastructure could be better designed to meet future needs of users and producer, for example ensuring connection opportunities at the Stainburn substation. Additionally, previously expressed concern regarding the resilience of the ENW infrastructure to flooding does not appear to be addressed, indeed the Carlisle 33kV substation is not included in the project.
- 3.2.14 Furthermore, initial review of the PEI suggests that the integrity of the ENW network in the Millom area appears to have been addressed by the addition of a 132kV trident line that connects from a 132kV substation (not part of this project) near Millom, round the Duddon Estuary to the network at Lindal. However, it is understood that the new substation is contingent on the development of the Haverigg Wind Farm. The impact of the trident line is considered above.

3.3 Tunnel head impacts at Barrow and Heysham

Lack of details

- 3.3.1 Significant issues have been raised regarding the impact of the tunnel construction on the local community, transportation links and social infrastructure in Roosecote and Heysham. Initial review of the PEI suggests that there is limited information regarding the tunnel heads and the impact on the surrounding community. For example, information on the construction processes (such as the slurry treatment plant) will not be available until the ES. Proposed construction working hours are included in the Code of Construction Practice that accompanies the PEI Report. In the absence of vital information, the PPA Group considers that the impacts related to noise, vibration, air quality, light, ecology and residential amenity at the tunnel-head sites are not adequately measured, addressed, or mitigated. This issue is a significant concern.

Impact of Tunnel Head construction

- 3.3.2 Following on from the section above the PPA Group has significant concerns about both proposed layouts given their proximity to existing and proposed residential and commercial development, and adverse impacts on PRow. Little information is available regarding the onsite processes, such as those relating to the 20m high slurry treatment plant or off site movements. Therefore, at this stage it is not clear whether the local areas will be subject to an unacceptable adverse impact on amenity and health for a prolonged period of construction.
- 3.3.3 As stated above, National Grid does not intend to provide more information on the project infrastructure, or an assessment of the impacts on the amenity of the local community until the Environmental Statement (ES) to be submitted alongside the DCO.
- 3.3.4 It should be noted that the indicative layout for the Roosecote tunnel head now reflects the submitted planning application by Centrica for a gas fired power station and energy storage plant. National Grid is confident that there remains sufficient space to accommodate the manufacture of all the concrete segments required for the tunnel. Additionally, after concerns were expressed regarding the location of the segment factory in Heysham, proposals do not include a factory on the Lancashire side.

Worker accommodation

- 3.3.5 During the construction of the project there is likely to be a concentration of over 380 workers at each of the tunnel heads at Barrow and Heysham. Given the number of directly employed workers required for the construction of the tunnel, and the other major projects in local areas, accommodation for workers is a key concern. The PEI concludes that there is limited effect in the Heysham area given access to transport links and the wider catchment of workers. However, the PPA Group consider that a workforce strategy is nevertheless required that will include commitments from Grid to support delivery of worker accommodation (including refurbishment of existing housing stock) so as to avoid adverse impacts on the existing housing market and visitor accommodation
- 3.3.6 The impact in the Barrow area is acknowledged and National Grid commit to working with stakeholders to produce an Accommodation Plan to be submitted with the ES. There are currently no details on the content of the Plan. This accommodation will also cover the area of undergrounding in the LDNP.

- 3.3.7 The PPA Group is concerned that currently there is incomplete workforce planning and accommodation proposals at the tunnel-heads. The PEI Report does not indicate any collaboration with accommodation providers to overcome existing shortfalls and/or raise standards of suitable worker accommodation.

Material, waste and tunnel spoil

- 3.3.8 The Key Issues Report suggested that the level of construction materials and tunnel spoil generated will place extensive pressure on the transport infrastructure if a road based strategy is followed. Currently National Grid is consulting on both a road based, and multimodal transport strategy (see transport section below). Until a decision has been made it is difficult to appreciate the implications for the materials and waste resulting from the tunnel construction. This is a significant issue that needs addressed before the impacts can be appreciated. National Grid state they are happy to continue to discuss opportunities for the positive use of the tunnel spoil with the PPA Group. However, plans do not appear to have been progressed. A proposed use at Cavendish Dock has been rejected, as the site is part of a SSSI, a SPA and Ramsar, primarily for its bird interest, and National Grid consider that initial investigations suggest there is no reason for its de-notification.
- 3.3.9 National Grid has proposed a materials movement corridor on the causeway forming the southern edge of Cavendish dock. Movement options being considered include conveyors, narrow gauge rail or use of HGVs with traffic control. This route allows direct access to the Port of Barrow as means of importing and exporting materials and waste. However, some of these options may result in closure to the causeway, including a PRoW for the period of use, in addition to possible noise and amenity issues. The PPA Group suggest that there is inadequate information on the storage, movement and final destination of tunnel spoil.

3.4 Transport and connectivity

Transport Strategy

- 3.4.1 National Grid have yet to select the Transport Strategy, however, review of the PEI suggests that the key risks and impacts of traffic movements have not yet been addressed.

- 3.4.2 The PPA Group are significantly concerned that National Grid are not consulting on a single and coherent transport strategy. This is a major issue that has widespread impact across other topic areas, such as visitor economy and waste and material. Additionally, the PPA Group and affected communities need to understand how the project will be delivered and what the mitigation and transport improvements are. This approach is inadequate and therefore the PPA Group cannot support National Grid's transport strategy at this point. Given these fundamental issues it is suggested that a subsequent consultation may be required when National Grid have sufficient information and a single strategy to appropriately address these issues.
- 3.4.3 National Grid conclude that there are no traffic reasons to favour the multi-modal option because of increased flows on more sensitive routes, the road option having a greater impact on the strategic routes which are generally less sensitive. The PPA Group do not accept this conclusion, as it is not clear that this is this appropriate and whether it should apply in all cases. For example, the multi modal strategy would reduce the number of traffic movements though Barrow.
- 3.4.4 Overall, the PPA Group strongly disagree with the assessment of impacts relating to the 'road based' and 'multi-modal' options. The multi-modal option will reduce the scale of HGV movements in some areas, while also having safety and environmental benefits. Additionally the Group are concerned that the cumulative impacts have not yet been assessed.
- 3.4.5 The multi-modal options will have a significant reduction in overall vehicle usage, especially for HGVs. This will reduce emissions and accidents, however, these benefits have not been considered.
- 3.4.6 Furthermore, the PPA Group do not accept National Grid's assertions that railway capacity issues should be a reason for not selecting the multi-modal option. The approach should be to mitigate the rail capacity issues, which would keep traffic off the highway and also provide a legacy benefit.
- 3.4.7 For the central strategic route area National Grid suggest an additional reason for not choosing the multi-modal option is given as the impacts on capacity of the Cumbrian Coast Line, Workington Port and Workington Port rail depot, although it is understood that there is sufficient capacity at Workington Port to accommodate the additional tonnage.

Transport improvements

- 3.4.8 The construction of the NWCC project will require extensive traffic related to the importing (and decommissioning) of material for access and haul roads, construction materials, cabling and waste. There is concern about the cumulative impact of these movements on the transport network especially if a single source is used and a road based approach is adopted. Additionally, a number of rail and road construction sites are proposed to store and deploy materials; these are all along the route and are more concentrated in the areas where underground technology will be used, such as Drigg, Silecroft and Foxfield. The transport infrastructure along the route and in these areas in particular is constrained, therefore, the impact of the movements is likely to require mitigation measures to address pinch points on the network and improve the local highway network, and minimise impact on nearby residents and businesses including at Foxfield Business Park.
- 3.4.9 Fundamentally, there is a lack of appropriate mitigation of traffic impacts on the highway network, which needs to be informed by modelling of traffic flows both for the individual development and for the cumulative impact, and is dependent upon the completion of survey data. It is suggested that mitigation should also address the following, for which no detail has yet been provided; the safe management of traffic on minor roads, the impact of worker accommodation locations – for example for the underground section within the National Park, implementation of Travel Plans
- 3.4.10 Lack of information on mitigation is a serious issue that needs to be addressed to enable a full assessment to be made.

Public Rights of Way (PRoW), cycle ways and paths

- 3.4.11 The NWCC project will have temporary (during construction) and permanent effect on the PRoW across Cumbria and those related to the tunnel head at Heysham. This will include closures, diversions and a reduction in the amenity and ability of users to enjoy the routes.

- 3.4.12 Review of the PEI reveals that the project will have an adverse impact on a number of PRoW, paths and cycleways. Key risks and impacts on PRoW and cycle paths have not been adequately addressed. More in depth assessment is required to understand the extent of these impacts across the area, however, at this stage National Grid are proposing a package of measures to mitigate the closures and disruption to the routes. These will be set out in a PRoW Management Plan (PMP) that will form part of the application for DCO. In addition, a number of specific mitigation measures are proposed in certain locations, these relate to proposed plans for the mitigation of key features such as a proposed Hadrian's Wall Mitigation Plan. These specific plans will also be secured in the DCO. The PPA Group are concerned that at this time there is a lack of clarity on appropriate mitigation measures that are required.
- 3.4.13 While the undergrounding through the Park be supported, in terms of setting, the A5092 transport corridor approach to the Western Lakes, along with the 'view out' of the National Park from Open Access and specific PRoW are undeniably affected by the proposed stretch of pylons that hug the National Park Boundary through Whicham and the Duddon.

Construction Access Points

- 3.4.14 WYG have been provided additional information outside the PEI showing the routes from the main roads, such as the A596, to construction access points. There are a significant number of access points to service the 1000 individual construction sites across the area. Some of the routes are on narrow lanes with tight bends, sharp crests, narrow bridges, NCN cycle routes or past schools, e.g. Beacon Hill School in Aspatria. Access to the Barrow tunnel head is off the A5087 which has residential frontage, on-street parking and a low bridge. No details of how these routes will be safely managed with the additional HGV flows have been provided. This should be part of the public consultation.

Highway Assessment

- 3.4.15 The impact of construction traffic has been assessed based on the average daily flow in the busiest peak four week period – based on engineering judgement. Whilst the principle that the impact should be reasonably prolonged (not just for a day or two) is accepted it is not clear why four weeks is appropriate.

3.5 Terrestrial and avian ecology

Habitats Regulation Assessment

- 3.5.1 The PPA Group are significantly concerned that there has been a failure to progress with the statutory Habitats Regulation Assessment (HRA) of the impacts of the project on internationally important wildlife. This has resulted in a failure to identify risks, such as those associated with the Ravenglass Estuary SAC of undergrounding/HDD operation, and of tunnel option on Morecambe Bay SAC/SPA. Furthermore, the PPA Group are concerned that a number of sites or sections which are hydrologically linked to European or International sites have been scoped out (e.g. South Solway Mosses SAC); Additionally, it is considered that the lack of any assessment of cumulative impacts on ecology, including EU protected sites and species, will affect the timescale for the HRA.
- 3.5.2 This could lead to significant delays to the acceptance of the DCO by PINS if not addressed.

Ecology Surveys

- 3.5.3 Many of the ecology -assessments have been based on incomplete survey data, which will need updating when surveys have been completed. This information will now only be available for incorporation into reports at the ES stage so we will not be able to comment on any of the final ecology evaluations and assessments.
- 3.5.4 Additionally, some assessments provide a conclusion of no significant effect despite the fact that surveys are still ongoing.

Topics Scoped out

- 3.5.5 It appears that the existing incomplete information has been used to scope in or out various designated sites, habitats and species. This approach will not provide a robust assessment until all the information has been considered, and scoping out features prior to obtaining all the data may result in these features being ignored prior to the final ES. Provision of habitat areas in table format should be sought for the development order limits sections.
- 3.5.6 Issues have then been scoped out (habitats and/or species) from certain sections prior to assessing completed survey material. The PPA Group suggest this results in unreliable conclusions on significance of potential impacts.

Non-designated priority habitats

- 3.5.7 The PPA Group are concerned that non-designated priority habitats are not effectively assessed and therefore are not appropriately protected. This is of particular significance in the southern section where undergrounding is proposed which has potential to result in more significant damage to habitats. Additionally, parts of the assessment rely on Aerial Photo Interpretation and therefore it has not been possible to possible to accurately assess the value of most habitats using this approach.

Invasive Non Native Species

- 3.5.8 Although invasive species have been recorded as present or absent within entire route sections there is no detail on location of Japanese knotweed where it may provide a constraint to the works. The PPA Group consider that in view of the large geographic extent of the linear project it is vital that non-native invasive species are dealt with extreme care due to the risk of spread over a wide area posing potential significant risks to biodiversity. In particular – Japanese knotweed can take many years to eradicate, therefore it will be important to deal with this problem well in advance of the proposed construction schedule.

Effective Mitigation

- 3.5.9 The PPA Group are concerned that the mitigation measures outlined are not considered adequate. There is a lack of appropriate mitigation and compensation for impacts on habitats and species; in particular not avoiding key hotspots, inadequate construction methods and compensation for loss and disturbance.
- 3.5.10 Design mitigation will be important to avoid impacts on several County Wildlife Sites and woodland areas. For example, the present route results in woodland areas, including parts of ancient woodland, being lost or the canopy removed. Compensation is proposed by National Grid to comprise planting of a similar area of woodland to that lost. However, loss of mature woodland and in particular ancient woodland cannot be mitigated or compensated for. The first consideration should be the avoidance of woodland through micro-siting but the information provided does not make it clear in most cases whether micro-siting has been considered and why this cannot be achieved.

- 3.5.11 The PPA Group consider that in all cases avoidance should be adopted, and if this is impossible then the reasons for this need to be highlighted and explained in detail. Additional compensation will be expected where loss of mature/ancient woodland is still being considered. It is also considered that a clear Code of Practice for any development work in the vicinity of ancient or mature woodland.

Protected Species Impacts

- 3.5.12 Clear rationale behind the selection of specific study areas for additional protected species survey and more detailed habitat/NVC survey is not provided other than an overview of methodology used. It is not always apparent how disturbance to protected species will be assessed and addressed during construction and maintenance phases.

3.6 Historic environment and cultural landscapes

World Heritage Sites

- 3.6.1 The PPA Group are concerned that the key risks and impacts to World Heritage Sites are not adequately addressed. In particular, only one of the three key features of the English Lake District nominated World Heritage Site have been considered. Although the assessment terminology used in the PEI is the same as in the ICOMOS HIA Guidance (2011), it exclusively focuses on the physical historic environment as an attribute of Outstanding Universal Value (OUV). There is a tendency within the suite of PEI documents to treat World Heritage as solely a historic environment issue. However, this approach covers only part of the first of the three themes of OUV which have been identified for the English Lake District. There is a need to ensure that the HIA takes into account the full range of OUV attributes from the three main themes. There is also a need to make sure that the wider EIA also takes into account the full range of National Park Special Qualities. Currently it is not clear that the PEI has done this.
- 3.6.2 Furthermore, the PPA Group consider that there is a failure to provide adequate information and evidence to enable assessment of impacts on the Frontiers of the Roman Empire (Hadrian's Wall) World Heritage site (FRE WHS).

- 3.6.3 The PEI concludes that for both the FRE WHS and the candidate English Lake District WHS, the net effect of NWCC would be *“a slight beneficial significance of effect on this asset as a whole”*. This appears to be based primarily on the removal of ENW infrastructure and improvement of the ability to appreciate the physical historic landscape. In terms of the Lake District National Park, this relates only to part of the first theme of Outstanding Universal Value (OUV).
- 3.6.4 The HIA should also assess the potential impact on OUV of the surface treatment of the undergrounded section within the National Park.
- 3.6.5 Without a demonstrably comprehensive HIA it is difficult at this stage to accept the conclusion that NWCC would have *“slight beneficial significance”* for the OUV of the candidate English Lake District WHS.

Historic Environment and Archaeology

- 3.6.6 The PPA Group consider that there is inadequate evidence and assessment of impacts to the historic environment and archaeology across the route, and in particular from underground construction methods including cabling in the Lake District National Park. Undergrounding will have a major impact on any archaeological remains within the corridor and although mitigation can be provided, in terms of evaluation and recording, there is a risk that any archaeological remains could be destroyed on the route and they are a finite and unrenewable resource.
- 3.6.7 A major concern is, however, that the desk based assessment and walkover survey of the route corridor has not, as far as we are aware, been complete; and no viewpoint analysis is provided in connection with potential impacts on the setting of designated heritage assets. It is understood that the results from this piece of work and other projects that have been recently completed (i.e. aerial mapping project/Romans in Ravenglass), have not been used in the PEI. We therefore do not feel at this stage that we have all the information available to be able to ascertain the overall impact on the historic environment.

3.7 Project wide comments

Cumulative impact assessment

- 3.7.1 As stated in the PPA Group comments on the PEI Cumulative Effects Briefing Paper, the adopted four-stage approach which reflects the approach within the PINS Advice Note 17 is welcomed. It is understood that the PEI will only contain stages 1 and 2 as set out in the advice note, and that the EIA procedure will enable decision making as to the actual final cumulative impacts to be assessed, their extent and residual outcomes.
- 3.7.2 As this is such a critical element for decision makers, whilst paragraph 22.1.6 states that *"Consultee comments have been considered during the compilation of this chapter, with the ZOI and assessment methodology amended where appropriate"*, it would be more helpful and clearer to the Planning Inspectorate in the future for a table be provided in the ES setting out whether or not the changes sought by the PPA Group have been accepted, and if they have not then there should be clear justification for doing so.
- 3.7.3 There are a number of specific areas that require clarification, which relate to the assumptions for the distances used for the Zones of Influence identified for each of the topic areas covering: landscape (10km), Socio economics (20km), terrestrial and avian ecology (20km), historic environment (10km), and waste (10km).
- 3.7.4 With regard to marine matters, we note and welcome that Table 22.1 now confirms that the Islet associated with the Morecombe Bay tunnel, consultation with relevant bodies and Government levels and that works in the Duddon and Ravenglass estuaries are to be included.

PEI consultation

- 3.7.5 In a letter dated 21 October 2016, the PPA Group had expressed concern to National Grid that despite a 10-week consultation period running from 28 October 2016 to 6 January 2016, this was a compromise position and had been based on assurances by National Grid that technical information would be released to the Authorities well in advance of the formal consultation date. This length of time was needed to allow all the PEI material to be properly considered and for that consideration to inform the Local Authorities' consultation response.

3.7.6 However, notwithstanding that assurance, several deadlines offered by National Grid were passed without the technical information being released on time. Consultation responses have to be approved by the various Local Authority Executives prior to issue to National Grid, and there is a significant lead-in time for all Committee reports to be prepared by the Local Authorities. The delay by National Grid in presenting material in the PEI has therefore meant that a full consideration of all the documentation is a significant challenge within the timescales. As a consequence the original request that the S.42 consultation be extended to the 3 February 2017 still stands to enable the PPA group to provide National Grid with a properly considered and approved consultation response, and enable National Grid to have full information on local sensitivities and impacts when it finalises the application ready for the DCO submission.

Lack of information

- 3.7.7 There has been a general lack of sufficient information presented within the PEI for a full assessment of the potential effects of the development to be carried out by the PPA Group and its specialists at this formal stage of consultation.
- 3.7.8 There are gaps as well as assumptions that have been made across almost all topic areas (including landscape, ecology, transport, historic environment, socio-economics, noise, hydrology etc). If this is carried through to the final Environmental Statement could lead to incorrect assessments and the wrong conclusions drawn on the likely effects. Additionally, the approach would be inadequate in terms of ongoing engagement with the PPA Group and other organisations. This is addressed in more detail in the topic-by-topic analysis and will be drawn out in the final PEI response.
- 3.7.9 The PPA Group are concerned that these matters need to be addressed and consulted on prior to the development of an Environmental Statement and the submission of the DCO.

Report to Executive

Agenda
Item:

A.5

Meeting Date: 19 December 2016
Portfolio: Finance, Governance and Resources
Key Decision: Yes: Recorded in the Notice Ref: KD.24/16
Within Policy and Budget Framework
Public / Private Public

Title: REVIEW OF POLLING ARRANGEMENTS
Report of: Corporate Director of Governance and
Report Number: Regulatory Services
GD 70/16

Purpose / Summary:

This Report presents the results of the annual review of polling arrangements and makes recommendations for changes to existing arrangements as appropriate. Responsibility for designating polling places lies with the full Council. This report is presented to the Executive for information before submission to the Council meeting on 10th January 2017.

Recommendations:

(See over)

Tracking

Executive:	19 December 2016
Overview and Scrutiny:	N/A
Council:	10 January 2017

It is recommended that:

1. No changes be made to current polling district boundaries this year but Officers investigate possible changes to polling arrangements, particularly in respect of polling districts OA and OC (Dalston Ward) and PAG1 (Stanwix Rural Ward), and discuss proposals with Ward Members prior to making recommendations for change as part of a future polling review report. (Para 32)
2. It is recommended that there be no change to polling arrangements at the present time. (Para 34)
3. Officers continue to monitor the use of portable cabins as polling stations and continue to investigate potential alternatives (Para 24) and Officers discuss with the supplier the use of a number of self contained units and improved units with a wider door, as detailed in paragraph 22 of this Report, at a number of polling station locations where portable cabins are currently used.
4. The Returning Officer be given authority, after consultation with relevant Ward Councillors and Portfolio Holder, to change polling place locations at the Cumbria County Council elections if the usual premises prove to be unavailable due to unforeseen circumstances (para 36).

INTRODUCTION

1. The Council has a statutory duty under the Representation of the People Act 1983 to divide its area into polling districts, to designate a polling place for each district and to keep both polling districts and polling places under review. The Directorate Plan provides for an annual polling review to be carried out and it has been the practice in previous years to review the arrangements in those wards having local elections in the following May. Whilst there are no scheduled City Council elections in May 2017, the Cumbria County Council elections are scheduled to be held.
2. The Electoral Administration Act 2006, placed a duty on the City Council to carry out a full review of all parliamentary polling districts and polling places in the Council's area during 2007 and every four years thereafter. The City Council carried out a full review in 2013/2014. Particular polling districts or places may however be reviewed at any time. As the same polling places are used at local elections, any changes arising from the review will be implemented at the earliest local or parliamentary election in the ward concerned.
3. Members will be aware that a number of separate and unconnected reviews of electoral arrangements have been undertaken over the last few years including the Review of the Cumbria County Council, carried out by the Local Government Boundary Commission for England and the Review of Parliamentary Boundaries currently being carried out by the Boundary Commission.
4. The City Council in April 2011 also requested the Local Government Boundary Commission for England to carry out an electoral review of current arrangements with a view to securing a significant reduction in the number of Councillors. The Local Government Boundary Commission for England indicated, at that time, that due to the number of reviews currently on going or planned such reviews had to be prioritised and, as Carlisle did not meet the further electoral review criteria at that time it was not proposed to carry out a review of the City Council electoral arrangements.
5. All City Councillors have been consulted on the polling arrangements for their particular wards, the two local M.P's and persons appointed as Election Agents in recent elections have also been consulted. The views of the Carlisle Access Group have in previous years been sought on polling arrangements however as there are no changes to venues proposed this year the Access Group have not been approached.
6. Members will recall that there were a number of polling station locations that were not able to be used in 2016 due to the effects of the Floods in December 2015. The locations at Botcherby Community Centre, St Aidans Church Hall, West End Temperance Hall, Crosby on Eden Village Hall and Downagate Community Centre were all flooded and were not available for use for some, or all elections/ referendums in 2016. All these premises are either back in use or are expected to be back in use in time for the scheduled elections in May 2017.

7. The current polling places and electorate are listed in Appendix 1 and these locations have been reviewed in the light of any representations and comments received.

STATUTORY PROVISIONS

- 8 In exercising its duty to keep polling districts and places under review, the 1983 Act requires Councils to seek to ensure that all electors have "such reasonable facilities for voting as are practicable in the circumstances ". Each parish should be a separate polling district. 'Polling place' is not defined in the Act but it refers to the building or area in which the polling station is situated.

ACCESS FOR DISABLED VOTERS

9. The Act also says that a Council must "seek to ensure that so far as is reasonable and practicable every polling place is accessible to electors who are disabled". The effect of this requirement is that a building should not be designated as a polling place if the only means of access to any polling station situated in it would be by means of steps, when another more suitable building is available in the polling district. However, a building would not be a more suitable polling place if it is so far away from most of the electors in the area as to be inconvenient for them to reach it.
10. Under the Equality Act 2010 it is unlawful for a service provider to discriminate against a disabled person. Discrimination includes refusing to provide any service to disabled people that it provides to non-disabled members of the public or providing a worse standard of service to disabled people than it provides to non-disabled people. Service providers have had to change practices, policies and procedures that make it impossible or unreasonably difficult for disabled people to use a service. Since October 2004 service providers have had to make reasonable adjustments to their buildings to overcome physical barriers to access.
11. With the exception of portable cabins, the majority of polling places are accessible to disabled voters and where there have been particular difficulties, temporary access ramps have been installed. Polling compartments specifically designed for voters in wheelchairs have also been provided. In addition, any disabled voter is entitled to assistance from the Presiding Officer or may be helped by a companion. Large versions of ballot papers are displayed in every polling station and devices are provided to assist blind or partially sighted voters to cast their own vote. Voters may also elect to cast their vote by post if they feel that this would be more convenient than attending a polling station.
- 12 Members may recall that the Access Group have in past years visited polling stations which were being used for the first time to check on the suitability of the building for use by disabled voters. This arrangement will be continued and arrangements will be made for Members of the Group to assess any buildings which are being used as polling stations for the first time.

FREE USE OF ROOMS

13. In addition to free use of school premises, described in paragraph 25 below, any room the expense of which is payable out of any rate may also be used free of charge. This would apply to a room in a local authority building e.g. a Community Centre.

DUTIES OF RETURNING OFFICER

14. It is the responsibility of the Returning Officer to provide sufficient polling stations within each polling place and to allocate electors to the stations as he thinks most convenient. One or more polling stations may be provided in the same room. The Returning Officer also has a duty to appoint the polling staff and provide the necessary equipment.

REVIEW CRITERIA

15. Apart from the requirements outlined above, there are no specific statutory criteria for determining the suitability of premises for election purposes although the Electoral Commission did issue directions in relation to the arrangements for the Referendum carried out in June 2016 that there should be no more than 2500 electors allocated to any polling station.
16. The following factors have also been taken into account at previous reviews:
- ◆ the convenience of the location within the polling district for the majority of electors including potential barriers such as major roads, rivers and railway lines.
 - ◆ extent of parking provision
 - ◆ internal size and layout of the premises having regard to the number of voters allotted to the polling station(s)
 - ◆ lighting and heating
 - ◆ proximity to public transport
 - ◆ cost (where there is a choice between similar premises)
17. The suitability of polling places are considered according to these criteria and taking into account the availability of alternative premises. An electorate of about 1250 - 1500 is considered to be a manageable number per polling station at a parliamentary election but the number of voters to be allocated to any particular polling place will have regard to the distribution and density of households within the Ward concerned. Whilst the continuing rise in the number of electors voting by post means that the total number of electors allocated to individual polling stations could be increased because a decreasing proportion are voting in person it is considered that the Council should be wary of potential problems which might arise.

18. In the Carlisle area the stations at Yewdale Community Centre, the Stanwix Community Centre, Church of the Nazarene, Newtown School, St. Lukes, Longtown Community Centre and the Moot Hall Brampton have the most electors allocated. These stations have approximately 2000 - 2300 voters allocated. All 7 are double polling stations with 2 teams of staff on duty at the stations. Whilst there have been no incidents in Carlisle of voters queuing and being unable to cast their votes at 10pm it is considered prudent to maintain the current split for the allocation of electors to polling stations in the Carlisle area. Officers will continue to study any reports that are produced relating to issues arising nationally from previous elections and will take on board any recommendations or suggestions for improvement.

MOBILE POLLING STATIONS

19. As previously mentioned it is not possible in every polling area to locate a polling station in a permanent building. Where no suitable permanent buildings are available, mobile stations are used instead. Portable cabins, however, are much less satisfactory than permanent premises due to space limitations and lack of facilities. They are also difficult to staff and equip. Units are hired from a commercial supplier and guarantee of delivery is an important consideration, particularly in the event of an election being called at short notice. General concerns regarding the use of mobile stations have been raised in previous reviews by members of the Council however despite efforts of Members and officers it has not been possible to identify alternative venues to host polling stations in place of mobile stations. Indeed additional portable cabins have had to be used in elections held in recent years.
20. The Council's Access Officer has previously been consulted on the use of portable cabins and has recommended that a portable ramp should be provided with each cabin so that if ramped access is required it can be facilitated and secondly that consideration should also be given to the siting of the portable cabin so that where possible the gradient of any ramp used can be managed.
21. Discussions have been held with the supplier of the portable cabins with regard to concerns over the accessibility of, and the facilities in, the cabins and their location / siting, with a view to providing level access portable cabins wherever this is possible.
22. The supplier is now able to supply a limited number of units that incorporate a 1000mm door, disabled access, toilet and solar powered electricity with a number of such units being used in recent elections. It should however be noted that because of site conditions, gradients, the size of portable cabins required and space that the above units would not be suitable for all locations where portable cabins are currently used as polling stations.
23. Officers have as part of this review once again investigated possible alternatives to portable cabins used as polling stations and, whilst it has not been possible in this review to recommend changes in respect of sites where portable cabins are currently used, Officers will continue to investigate potential alternatives.

24. As an outcome of this review it is recommended that Officers continue to monitor the use of portable cabins as polling stations and continue to investigate potential alternatives.

USE OF SCHOOLS

25. The 1983 Act also provides for the use, free of charge, for the purpose of taking the poll or the counting of the votes, of "a room in a school maintained or assisted by a local education authority or a school in respect of which grants are made out of moneys provided by Parliament", subject to making good any damage and defraying any expenses. These provisions also apply to grant maintained schools. There is no requirement that a school must close when part of it is being used as a polling station, but some do so because of practical difficulties in staying open or on security grounds.
26. Closure for elections, however, can be disruptive to the school timetable and inconvenient for working parents. In response to requests from school governing bodies and representations from the Local Education Authority, the number of schools used as polling places has been reduced in recent years and there are currently eight schools in the Council's area being used as polling venues.

REVIEW OF POLLING PLACES AND POLLING DISTRICTS

27. As part of the current review Officers have taken the opportunity to look ahead at the possible impact of future residential developments on polling districts and polling district boundaries.
28. Planning Services have provided details of outstanding planning permissions for residential developments within the City Council's area and outline permissions. There are a number of potential developments in the City with outstanding or outline permissions for 50 properties and above as set out below. In forecasting the potential impacts of developments on electoral numbers the usual formula used is 1.8 electors per unit. Using that formula to forecast the impact of major developments within the City on current electoral registers for that area gives the following position.
- (MC currently 1361 on roll) – Development at Thomlinson Avenue (57 Units, potentially 100 additional electors)
 - (DB currently 694 on roll) – Development at former Dairy Site Holywell Crescent (66 Units potentially 120 additional electors)
 - (HC currently 1016 on roll) - Development at Rome Street (48 Units potentially 85 additional electors)
 - (HD currently 808 on roll) – Outline permission United Utilities Depot Nelson Street (103 Units potentially 180 additional electors)

- Harraby (EA currently 1143 on roll) –former Dairy Harraby Green Business Park (45Units potentially 80 additional electors)
- Dalston (OF 536 on roll) - Hammonds Pond (248 Units potentially 450 additional electors) and – Carlisle Racecourse Durdar Road (42 Units potentially 75 additional electors)
- Dalston (OD currently 213 on roll) – South West of Cumwhinton Road and rear of Farbrow Road Carleton Farm (175 Units potentially 315 additional electors) and – East of Cumwhinton Drive (189 Units potentially 340 additional electors).
- Dalston (OA currently 1794 on roll) Land between Townhead Road and Station Road (31 Units potentially 55 additional electors)
- Morton / Dalston (The majority of Units will be in the Cummersdale District of the Dalston Ward OC currently 694 on roll) – Outline permission for Development on land at South Morton bounded by Wigton Road (825 Units potentially 1480 additional electors) Development at Rear and West of Garden Village Wigton Road (130 Units potentially 234 electors) Development at Peter Lane / Dalston Road (73 Units potentially 130 additional electors)
- Belah/Stanwix Rural Outline permission for Development on land at Greymoorhill/Kingstown Road (190 Units potentially 340 additional electors)
- Stanwix Rural (PAG1 currently 297 on roll) Development at Crindledyke (666 Units potentially 1080 additional electors)
- Stanwix Rural (PAU1 currently 1243 on roll) Hadrians Camp Houghton Road (62 Units potentially 110 additional electors)
- Wetheral (RE currently 1015 on roll) Land West of Steeles Bank (50 Units potentially 90 additional electors)
- Wetheral (RH currently 201 on roll) – Land North of Moorside Drive and Valley Drive (150 Units potentially 270 additional electors)

- 29 As indicated earlier in the report the range which is suggested as a manageable number of electors per register is 1250 – 1500 although this number is considerably less than the number indicated in the Commission Direction for the referendum.
30. The figures above indicate that if the developments set out above are fully built then some realignment of the register for Dalston (Districts OA and OC), and Stanwix Rural (District PAG1) would be required.

- 31 No further representations have been received during this review with regard to polling district boundaries in the City Council area.
- 32 Whilst noting the position on the potential impact of future developments as set out above It is recommended that no changes be made to current polling district boundaries this year but Officers investigate possible changes to polling arrangements, particularly in respect of polling districts OA and OC (Dalston Ward) and PAG1 (Stanwix Rural Ward), and discuss proposals with Ward Members prior to making recommendations for change as part of a future polling review report.
33. The large majority of polling places are satisfactory and have remained unchanged for many years. Choice of suitable buildings is limited and in most cases there is no alternative to the present arrangements. Change is therefore only considered where the current premises are no longer available or satisfactory, or representations have been received in respect of particular buildings.
34. In the absence of representations, it is recommended that there be no change to polling arrangements at the present time and Officers continue to respond to circumstances where existing polling station locations either become unavailable or unsuitable:

OTHER POLLING PLACES

35. The usual booking requests will be sent early in the New Year in respect of polling stations to be used at the Cumbria County Council elections in May 2017, therefore confirmation of availability has not been received for the premises set out in appendix 1. In order to ensure that polling stations are provided for all electors, It is recommended that the Returning Officer be given authority, after consultation with relevant Ward Councillors and Portfolio Holder, to change polling place locations at the Cumbria County Council elections if the usual premises prove to be unavailable due to unforeseen circumstances.

3. CONSULTATION

- 3.1 The details of consultation carried out to inform this report are set out in paragraph 5 of the report

4. CONCLUSION AND REASONS FOR RECOMMENDATIONS

- 4.1 To provide polling stations for electors as per the statutory duty under the Representation of the People Act 1983.

5. CONTRIBUTION TO THE CARLISLE PLAN PRIORITIES

- 5.1 Properly run elections with the best possible facilities provide the democratic mandate for the Council to determine its priorities.

Contact Officer: **Ian Dixon**

Ext: **7555**

Appendices **List of Polling Places**
attached to report:

Note: in compliance with section 100d of the Local Government (Access to Information) Act 1985 the report has been prepared in part from the following papers:

- **None**

CORPORATE IMPLICATIONS/RISKS:

Chief Executive's – The Town Clerk & Chief Executive is the senior officer in charge of the conduct of elections and as such has been involved in the drafting of this report. The risk is that the Council does not comply with its duty to provide suitable and adequate polling stations. This report demonstrates how the Council is seeking to fulfil its obligations.

Deputy Chief Executive – None

Economic Development – None

Governance – This is a report from the Governance Directorate and relevant comments are contained within the body of the said report. The Council is obliged to review polling stations and also comply with its obligations under the equality legislation.

Resources – None.

Polling Places – Urban Wards

APPENDIX 1

WARD	POLLING PLACE	POLLING DISTRICT	ELECTORATE (Sept 2016)
Belah	Kingmoor Business Centre	AA;AB,	1931
	Belah Community Centre	AC,AH	768
	1 Etterby Close	AD	1125
	Portable cabin, east side Kingstown Rd	AE,AF,AG	970
Stanwix Urban	Portable cabin, Knowefield Avenue	BA;	1189
	Stanwix Community Centre	BB; BC; BE	2180
	St. Augustine's Parish Centre	BD	1015
	Portable cabin, east side Kingstown Rd	BF	152
St. Aidans	St. Aidan's Church Hall	CA,CF	1564
	Greystone Community Centre	CB,CE	705
	St. Cuthbert's Court, Myddleton St.	CC, CH	370
	Greystone Community Centre	CD,CG	1566
Botcherby	Botcherby Community Centre	DA	1342
	Botcherby Family Centre	DB	694
	Portable cabin, Cumrew Close	DC	727
	Harraby Community Hub	DD; DE	1547
Harraby	The Pinegrove Hotel, London Road	EA	1143
	Inglewood Infant School	EB	1238
	Harraby Catholic Club	EC,EF	1065
	Portable cabin, Cumwhinton Road	ED,EG	1198
Upperby	Creighton Rugby Club	EE	256
	St. Margaret Mary's Social Club	FA	834
	CDC Building adj. Upperby School	FB	778
	St. John's Ambulance, Scalegate Rd.	FC	973
Currock	Petteril Bank Community Centre	FD; FE	1227
	Currock Community Centre	GA	851
	Bishop Harvey Goodwin School	GB,GE,GF	1298
	Currock Community Centre	GC,GG	1090
Denton Holme	St. Herbert's Church Hall	GD	1092
	Methodist Church Hall, Wigton Road	HA	307
	Denton Holme Community Centre	HB; HC	1883
	St. James Parish Centre	HD	808
Castle	Portable cabin, Longsowerby	HE	1157
	Portable cabin, Lorne Crescent	HF	435
	Newtown School	JA	842
	West End Temp Hall Hawick Street	JB	558
Morton	Methodist Church Hall, Wigton Road	JC,JK	1264
	Christian Science Church	JD,JF	726
	St. Cuthbert's Court, Myddleton St.	JE,JG,JH	524
	St. Luke's Church Hall	KA; KB	1984
Yewdale	Portable Cabin Newlathes Ave	KC	1359
	Portable cabin, Borrowdale Road	KD,KF	678
	Portable cabin, Scawfell Road	KE	558
	Yewdale Community Centre	LA; LB	2240

Belle Vue	Portable cabin, Richmond Green	LC	1103
	Portable cabin, Nairn Way	LD	888
	Richard Rose Morton Academy	LE	420
	Church of Nazarene	MA; MB	2195
	Newtown School	MC	1361
	St. Bedes School	MD, MF, MG	625
	Portable cabin, Hawthorn Grove	ME, MH	665

Polling Places – Rural Wards

Ward	Polling Place	Polling District	Electorate (Sept 2016)
Brampton	Moot Hall, Brampton	PK	2274
	Brampton Community Centre	PKA	1192
	Milton Village Hall	PL	102
Burgh	Beaumont Parish Hall	NA	369
	Village Hall, Burgh-by-Sands	NB	627
	Thurstonfield Methodist Chapel	NC	360
	Village Hall, Great Orton	ND	355
Dalston	Victory Hall, Dalston	OA	1823
	Primrose Hall, Gaitsgill	OB	295
	Embassy Ballroom, Cummersdale	OC	694
	Portable cabin, Carleton	OD	213
	Wreay Village Hall	OE	318
	Portable Cabin, Blackwell Common	OF	536
	Portable cabin, Black Lion, Durdar	OG	320
	Creighton Rugby Club	OH	976
	Watson Hall, Castle Carrock	PP1	269
Great Corby and Geltsdale	St Mary's Church, Cumrew	PR1; PR2	111
	Cumwhitton Public Hall	PS	261
	Heads Nook Village Hall	PAB2	256
	Talkin Village Hall	PAC	136
	Great Corby Village Hall	PBB	353
	Downagate Community Centre	PBC	366
	Reading Room, Hayton	PAA	553
Hayton	Heads Nook Village Hall	PAB1	321
	Methodist Church Hall, Corby Hill	PAD	749
Irthing	Lees Hill School	PG1; PG2	170
	Roadhead Public Hall	PH2	35
	Cricket Pavilion, Lanercost	PO1; PO2	176
	Taylor Institute, Low Row	PW	250
	Methodist Church Hall, Gilsland	PX1; PX2; PX3	178
	Lacy Thompson Hall, Hallbankgate	PY1; PY2	542
	Walton Village Hall	PAX	233
	Longtown Community Centre	PE1- PE4	2067
Longtown and Rockcliffe	Moat Village Centre	PF1; PF2	158
	Former Conservatory Centre, Harker	PAG2	196
	Rockcliffe Community Centre	PAM	400
	Blackford School	PAY	304

Lyne	Roadhead Public Hall	PH1	331
	Hethersgill Parish Hall	PAE	312
	Skitby House	PAJ	296
	Nicholforest Hall	PAK	309
	Shankhill School	PAS	130
	Stapleton Public Hall	PAW	209
	Village Hall, Newtown, Irthington	PAF	561
Stanwix Rural	Former Conservatory Centre, Harker	PAG1; PAG3	329
	Portable Office, Cargo	PAH	442
	Scaleby Village Hall	PAR	309
	Crosby Parish Hall	PAT1; PAT2	402
	Houghton Village Hall	PAU1; PAU2	1343
	Women's Institute Hall, Linstock	PAV	320
	Portable cabin, east side Kingstown Rd	PBK	138
Wetheral	Cotehill Village Hall	RA	496
	Cumwhinton Village Hall	RB	387
	Parish Centre, Scotby	RC	1215
	Memorial Hall, Warwick-on-Eden	RD	189
	Wetheral Village Hall	RE	1015
	Portable cabin, Aglionby	RF	208
	Portable cabin, Cumrew Close	RG	217
	Creighton Rugby Club	RH	201

Report to Executive

Agenda
Item:

A.6

Meeting Date: 19 December 2016
Portfolio: Communities Health and Well-being
Key Decision: Yes: KD 28/16

Within Policy and
Budget Framework YES
Public / Private Public

Title: SCHEME OF HOUSING ASSISTANCE
Report of: Corporate Director of Governance and
Regulatory Services

Report Number: GD.73/16

Purpose / Summary:

Following a significant increase in the City Council's Disabled Facilities Grant (DFG) funding (to help disabled, elderly and vulnerable people to live independently) it is recommended that the City Council introduces additional discretion into its Housing Renewal Assistance Policy by broadening the scope of work that can be covered under a DFG and by using specific DFG funding for wider purposes. The City Council is able to introduce such flexibility using freedoms given to it following the Regulatory Reform (Housing Assistance) (England and Wales) Order 2002 and recent Technical Guidance issued with the Better Care Fund . Further background information is included in a Briefing Paper (Appendix 2) and a revised Policy for Housing Renewal Assistance 2017 is provided in Appendix 1. The revised Policy confirms the position regarding Mandatory Disabled Facilities Grants.

Recommendations:

It is recommended that Executive:

- Approve the proposed revised Housing Renewal Assistance Policy 2017 in Appendix.1.
- Refer the said Policy to Full Council for consideration in accordance with the Council's Budget and Policy Framework.

Tracking

Executive:	21:11:2016 and 19:12:2016
Overview and Scrutiny:	24:11:2016
Council:	10:01:2017

1. BACKGROUND

- 1.1 The Regulatory Reform (Housing Assistance) (England and Wales) Order 2002 (RRO) placed a duty on local authorities to publish a housing assistance policy for the private sector. The RRO was adopted by Carlisle City Council on 9th September 2003. The Policy has been amended since its adoption to allow actions to be taken by officers relating to the private housing sector, most recently in 2013. The Council decision on the 2013 Policy (CD 42/13) delegated responsibility for the use of funds and the granting of grants outlined in the Policy to the Director, it will be proposed to Council that the Director of Governance and Regulatory Services assumes this delegated responsibility.

2. ADDITIONAL HOUSING ASSISTANCE

- 2.1 Under the proposed Housing Renewal Assistance Policy (Appendix.1.), Mandatory Disabled Facilities Grants will continue to be available.
- 2.2 It is recommended that the City Council uses its discretionary powers under the Regulatory Reform Order to broaden the scope of DFG's and allow specific DFG funding to be used for grants to assist the elderly, disabled or other vulnerable groups to live independently and to improve their living conditions and well-being. Specifically minor works that support ill health prevention, promote independence and delay transfer into care.
- 2.3 Any discretionary grants and loans that the Council proposes to offer are dependent on the availability of resources.
- 2.4 The provision of discretionary assistance shall only be provided as long as additional levels of grant funding remain available. It is recommended that the Council allocate £400,000 from the DFG capital funding for discretionary grants other than mandatory DFGs. Any underspend from the DFG allocation should be carried forward into subsequent years (subject to Council approval).
- 2.5 It is proposed that Carlisle City Council's Home Improvement Agency (HIA), Homelife Carlisle, would administer the discretionary fund. It is recommended that the current agency fee levied across administering measures and grants within the HIA be increased from 12.5% to 15% and that minor measures be charged according to the 2017 /18 fees and charges as appropriate. The 15% fee better reflects the actual costs to the HIA and has been benchmarked across other HIA fees.
- 2.6 If full use is made of £400,000 discretionary fund this could potentially generate up to £60,000 towards the cost of the HIA although £30,000 is considered to be a more realistic income.
- 2.7 It is recommended that for the additional discretionary grants the eligibility criteria is less onerous to encourage applications for the fund, thereby securing improvements in wellbeing and living conditions, and lessening the administrative burden on the HIA to administer the schemes.

3. PROPOSED CHANGES TO DISABLED FACILITIES GRANTS

- 3.1 Sections 1 to 1.8 in Appendix.1 detail the Housing Renewal Assistance for mandatory DFGs. The 2013 Housing Renewal Assistance Policy has been revised to account for DFGs to registered housing providers other than Riverside. Proposals are also included to top up the maximum DFG grant of £30,000 for specified circumstances and introduce an option for assistance with re location as an alternative to adapting an existing property. Most mandatory DFGs are referred through the Social Services Occupational Therapists, to take pressure off these services and attempt to speed up the application process the City Council may use its right to take referrals from private Occupational Therapists or other health specialists where appropriate.

4. OTHER HOUSING ASSISTANCE

- 4.1 Section 2 onwards in Appendix.1. details proposed discretionary schemes to assist the elderly, disabled or other vulnerable groups to live independently and to improve their living conditions and well-being. Minor Work and Safe and Warm grant schemes are proposed to support ill health and accident prevention, promote independent living and delay the transfer into care.
- 4.2 The discretionary grants within the policy are subject to available funding and can be withdrawn with immediate effect for applications not yet approved. The Mandatory DFG process will not be disadvantaged by the discretionary grant process.

5 PROPOSALS

- 5.1. To approve the proposals in the revised Housing Renewal Assistance Policy 2017 (Appendix 1) and refer the said Policy to Full Council for consideration in accordance with the Council's Budget and Policy Framework.

6. CONSULTATION

- 6.1. In response to the Local Government Ombudsman Report, *Making House a Home: Local authorities and Disabled Adaptations 2016* a number of changes to the Council's DFG policy were considered. This included benchmarking and investigating other local housing authority's Housing Assistance policies; consultation with Foundations (the national governing body of home improvement agencies) and also proposals suggested by the Cumbria Housing Group.

- 6.2 The City Council has consulted directly with the County Council on its revised Housing Renewal Assistance Policy 2017 and through the Healthy City Steering Group.
- 6.3 The revised Housing Renewal Assistance Policy 2017 was considered at the Community Overview and Scrutiny Committee on the 24th November 2016. A recommendation was made to amend section 1.1 of the Policy to make clear its application to all registered providers, not just Riverside. An amended 1.1 has been included in the Policy.
- 6.4 As part of the consultation process, the Council have had feedback from Foundations UK. Foundations are the overarching body for Home Improvement Agencies, they also have the government remit to provide advice, guidance and training to Councils delivering DFG's. The Council received positive feedback on the proposed policy, however a suggestion was made that the Council consider removing the means test criteria for those being discharged from hospital, to enable them to return home to a safe environment and to prevent delayed discharge. Carrying out a means test is likely to delay discharge and become burdensome in the circumstances. Foundations therefore proposed the Council considers best practice from other Councils and do not undertake mean testing in these circumstances, it is therefore proposed that this is adopted approach by the Council.

7. CONCLUSION AND REASONS FOR RECOMMENDATIONS

- 7.1. The revised housing renewal assistance policy will assist in ensuring that best use is made of the increased level of DFG capital funding whilst making use of existing capacity and expertise within the Housing and Pollution and Homelife teams.
- 7.2 The introduction of such flexibility into the process is being promoted as good practice nationally and in line with government and local policies.

8. CONTRIBUTION TO CORPORATE AIMS

- 8.1 The proposals will help support the Carlisle Plan priority to: 'Address current and future housing needs to protect and improve residents' quality of life'

Contact Officer: Scott Burns, Environmental Health and Housing Manager
Ext: 7328

**Appendices
attached to
report:
Appendix 1
Appendix 2**

Note: in compliance with section 100d of the Local Government (Access to Information) Act 1985 the report has been prepared in part from the following papers:

- **None**

CORPORATE IMPLICATIONS/RISKS:

Governance As stated in the Report, the ability of the Council to exercise its power to provide assistance for people to acquire, adapt or repair accommodation etc is dependent on the adoption of a relevant Policy pursuant to The Regulatory Reform (Housing Assistance) (England and Wales) Order 2002. Such a policy was adopted by the Council and it forms part of the authority's budget and policy framework, therefore, any proposed amendment must be approved by full Council following the appropriate Overview & Scrutiny, Executive process.

Chief Executive's -

Deputy Chief Executive –

Economic Development –

Governance –

Local Environment –

Resources –The Council has received £1.467million through the Better Care Fund in 2016/17 for Disabled Facilities Grants which is significantly higher than previous year's allocations. If the proposal contained within this report is approved by the Executive, then the eligibility criteria for the use of the fund and the ability to carry forward any unspent allocation must comply not only with the Regulatory Reform Order and other guidance issued by the Government but also the Council's own Financial Procedure Rules (in terms of carry forward requests) and other Capital Financing Regulations (in terms of capital expenditure definitions).

HOUSING RENEWAL ASSISTANCE

POLICY DOCUMENT

2017

Regulatory Services
Governance and Regulatory Services
Carlisle City Council
The Civic Centre
Carlisle
CA3 8QG

Introduction

The Regulatory Reform (Housing Assistance)(England and Wales) Order 2002 equipped local authorities with a wide ranging power to provide assistance for housing renewal based on the principle that repairs are fundamentally the responsibility of the property owner, but grant assistance should be given in particular circumstances.

Poor quality housing can have an adverse effect on the health and well being of the occupants and the presence of long term empty properties can be a blight on the neighbourhood.

The Council recognises that assistance cannot be made available to all residents. Mandatory Disabled Facilities Grants will continue to be offered to applicants who meet the eligibility criteria.

This policy makes use of the powers provided under The Regulatory Reform (Housing Assistance) (England and Wales) Order 2002 to broaden the scope of Disabled Facilities Grants and also to offer alternative forms of grants for disabled, elderly and other vulnerable residents in Carlisle and District.

Through the Council's Home Improvement Agency, Homelife Carlisle, additional discretionary assistance may be provided to the disabled, elderly and other vulnerable people. All forms of discretionary assistance beyond the Mandatory Disabled Facilities Grant Capital funding are dependent on the availability of external funding.

This policy will remain in force until such time as it is reviewed and amended. It is intended to review this new policy within 18 months so that demand for the revised assistance can be assessed and the policy amended accordingly to account for this and any further funding changes.

Mandatory DFG applicants will not be disadvantaged by discretionary grants.

Types of Assistance Available

1.0 Disabled Facilities Grants

The provisions governing mandatory Disabled Facilities Grant (DFG) are contained in the Housing Grants, Construction and Regeneration Act 1996 (the 1996 Act), as amended by the Regulatory Reform (Housing Assistance) (England and Wales) Order 2002. The Order extended mandatory DFG eligibility to those occupying park homes and houseboats.

Provided they meet the defined criteria, all owner-occupiers and tenants, licensees or occupiers are eligible for DFG. Private Sector landlords and Register Providers (RP) may also apply for a DFG on behalf of a disabled tenant but the tenant must also satisfy the relevant requirements under the same means testing arrangements.

1.1. DFG for Registered Providers

All Registered providers operating in the area, will be asked to make a contribution if a tenant makes an application for a DFG. The receipt of any contribution entirely depends on the provider's adaptation assistance policy, stock profile, asset management strategy of adapted properties and their financial position to make any contributions.

1.2. Discretionary Payments

A discretionary payment can be made by the Council, under this policy in the following circumstances:

1. The grant maximum of £30,000 has been reached and unforeseen works have arisen onsite, which would not have been known at the time the grant was approved. i.e. Drainage, foundations works, requested changes by the Building Control Department.

The maximum grant for unforeseen works will be set at **£5,000**.

2. A change in the applicants circumstances has arisen between the grant being approved and the works being completed, making it unreasonable to expect a contribution from the applicant. i.e. a relationship breakdown or death or a joint applicant.

The maximum discretionary grant for unforeseen contributions is **£5,000**

3. In cases where the grant maximum of £30,000 is met at approval stage, the Council will have the discretion to approve an additional **£10,000** of grant funding toward the cost of the building works. In each case the additional £10,000 of grant funding will be means tested and this will be applied equally across adult and child cases. The additional £10,000 top up grant will be registered as a local land charge and will be repayable within a 10 year period should the property be sold.

The total maximum discretionary top up grant will be **£10,000** across all element of discretionary funding.

1.3. Assistance with Reallocation as an Alternative to Adaptations

In a few exceptional cases where an adaptation is not an appropriate option, the Council may as an alternative and in agreement with the client, assist with a Property Relocation Grant. The applicant would be subject to the same prescribed test of resources used for a DFG application and the maximum grant available would be **£30,000**.

The relevant costs to be treated as eligible within this discretionary grant would be reasonable legal, estate agents fees, removal costs, necessary utility and service set up

costs, and minor adaptations to make the property suitable. This would be applied in owner occupier and private tenant cases.

Financial assistance towards the purchase of a property may also be considered for owner occupiers, but only where there would be no financial gain in the sale of the old property moving to the new property, equally the move to a new property must not place the applicant in negative equity.

In all cases the property to which the applicant moves must be compliant with the decent homes standard, when the current home cannot be suitably adapted.

An individual who receives relocation assistance shall not be entitled to claim similar assistance for a period of 10 years. Receiving this grant does not prevent applicants applying and potentially receiving grants and assistance from other schemes in this policy.

1.4. DFG placed as recoverable land charges

It is the Council's policy to place a Land Charge on every property which is subject to a Disabled Facilities Grant. If such a property is sold within a 10 year period, starting on the date of completion of the work, the Council will use its discretion to reclaim the funding that exceeds £5,000, but may not require a repayment exceeding £10,000. In applying its discretion, the following criteria will be considered:

- The extent to which the recipient would suffer financial hardship if the grant were reclaimed
- Whether the disposal of the property was to enable the recipient to take up employment, or change the location of their employment
- Whether the disposal of the property is made for reasons of the recipient's mental or physical health or well being
- Whether the disposal is made to enable the recipient to live with, or near, any person who will provide care for the recipient by reason of their disability

Any decision on repayment will be made by the Director of Governance and Regulatory Services in consultation with the appropriate Portfolio Holder.

1.5. DFG for Recycled equipment

In ensuring that the funding available for Disabled Facility Grants can benefit the maximum number of recipients, a scheme of re-commissioning key equipment such as ramps, stair lifts etc. will be applied.

A Total Stair lift Management Model is to be introduced from April 2017, the scheme will operated through the County Council equipment store, to recycle and reuse stair lifts across Cumbria. The scheme will be modelled on a lease type agreement with a procured provider. Stair lifts applicants will no longer be means tested and all applicants will be required to agree to the stair lift being owned, managed and maintained by the procured company. Once the stair lift is no longer required then it will be removed by the procured contractor, at no charge to the household.

1.6. Priority Points System for allocation of DFG's

In the event that resources become limited in the future or demand increases significantly, the Council will allocate DFG funding based on a priority points system. Applicants may be placed on a waiting list prior to being invited to make a formal application. Where this occurs the applicant will be advised that they have been placed on a waiting list and will receive an update every 3 months as to the projected timescale for their application to be invited. Each applicant will be invited to make an application in date order. However, priority will be given to urgent applications as determined by both the Council and the Occupational Therapist.

1.7. Fees for professional services connected to DFG's.

The Council will charge professional fees for providing services to applicants which are subject to a DFG. The fees charges are fixed charges determined annually. Clients have the option to opt out of this service and complete and submit their own application, without the assistance of the Council Officers.

1.8. Commissioning Independent Assessment of Need

The Housing Grants, Construction and Regeneration Act 1996 makes no reference to assessment of need for an adaptation, it only places a duty on housing authorities who are not themselves a social services authority to consult the social services authority on the judgement of whether the works are necessary and appropriate to meet the needs of the disabled occupant (Section 24). In *Disabled Facilities Grant Programme: The Government's proposals to improve programme delivery*, 2007, the Department for Communities and Local Government made it clear that an occupational therapy assessment is not a legislative requirement.

In certain cases the Council will accept referrals from Private Occupational Therapists or other health specialists including trusted assessors who are engaged by the applicant to advise on what works are required to meet there individual needs. The costs of these professional assessments would be recoverable under the grant.

Whilst many requests for a DFG come to the Council via a Social Services assessment, applicants also have the right to make applications to the Council directly. In addition, referrals for DFG applications may come from other organisations, including health professionals, voluntary sector organisations and different Council departments. Where applications do not come via a Social Services assessment the Council shall proceed with the DFG application in the normal way and help the client complete the necessary application. The Council has a legal duty to determine the application within 6 months of receipt. As part of the consideration process, the Council has a duty to consult with Social Services department to ensure that the works being requested are necessary and appropriate. Where the Social Services department are unable to provide feedback to that consultation request within a reasonable timescale, the Council reserves the right to employ a private Occupational Therapist or other health professional to provide the necessary assessment.

For example, this may include a medical health professional's assessment that confirms, an individual is particularly at risk from excess cold due to a pre-existing

medical condition. A DFG could be provided to improve any existing heating system or where there is no heating system, provide a system to meet their needs.

This policy does not include the costs of an Occupational Therapist acting on behalf of the social services authority in the discharge of their responsibilities under section 24(3)(a) of the 1996 Act (or any other enactment).

2.0 Discretionary Assistance

Discretionary assistance will be made available under this policy, under the conditions and scheme criteria outlined, however in all cases the works or assistance being provided must meet the following objectives in order to satisfy the budgetary framework and policy arrangements of the Better Care Fund.

- Increased independence, safety and minimising the effects of disability
- Enabling the carer to continue care.
- Prevention of admission to more institutionalised care

2.1 Renovation Grants

It is recommended that, subject to sufficient levels of external grant funding been made available, that the Council introduces additional discretion into its DFG Policy by broadening the scope of work that can be covered under a DFG.

Subject to the availability of funding, the Council reserves the right to use its discretion under the Regulatory Reform Order to pay for works under a DFG that may otherwise not be eligible for assistance. Typically these works could include the cost of undertaking repairs to a property to enable a DFG to proceed. These could include:

- a) Structural repairs
- b) Undertaking works to resolve category one hazards within a property, such as remedial works to tackle damp or excess cold.
- c) Undertaking electrical repairs to a home where a new level floor shower or chair lift is being provided.
- d) Undertaking measures to improve the safety and security of eligible households such as windows and door locks, fixing loose flooring, undertaking repairs to pathways and the removal of trip hazards.

Such discretionary assistance shall only be awarded to households eligible for a DFG. In addition, the Council has placed some additional restrictions and rules regarding eligibility for such discretionary assistance.

The availability of all discretionary grant assistance is subject to the Council's annual budget setting procedure and the availability of sufficient levels of external funding. All such payments are at the Council's discretion and will be removed once available funds are exhausted.

2.1. Minor Measures Grants

Certain minor, smaller measures are often required to support ill health prevention, promote independence and assist with delaying the need to go into care.

Who can apply?

A person is eligible to apply for a minor measures grant if they:

- Own their own home as a freeholder or leaseholder (with at least 5 years left to run) or live with an owner occupier.
- Have a license to occupy a park home AND
- Live in the local authority area of Carlisle City Council

AND

- Are in receipt of (or in the process of claiming) a disability benefit such as:
 - ~ Personal Independence Payment
 - ~ Attendance allowance
 - ~ Employment Support Allowance
 - ~ (For hospital discharge cases only) been in receipt of statutory sick pay for at least 1 month

AND

- Be in receipt of a means-tested benefit OR have a gross annual household income of less than £25,000.

OR

- For the prevention of delayed hospital discharge cases / be over 55 years of age

What works are eligible?

The following measures are eligible for a grant:

- Key-safes
- Deep-cleans of properties (subject to availability of suitable contractors)
- Internal and External rails; grab rails
- Small ramps and thresholds

Amount of Assistance

The maximum grant available is £500. The grant may include the cost of eligible works plus any HIA agency fee as set annually in the charging report.

The grant is limited to 2 applications per year and £1000 in a rolling 3 year period

In cases where applications are being refereed from hospital services then no means test will be undertaken on the individual, they are eligible based on the need to make their home safe and to prevent a further delay in discharging the patient.

What conditions are attached to the grant?

The application must be made on the approved referral form or other format agreed by the Council.

Prior to works being carried out, one quotation from a bona fide contractor or other appropriate service provider shall be submitted for the cost of the eligible approved works.

No works shall be carried out without formal grant approval and no retrospective applications will be considered. Minor measures eligible for other statutory funding will not be considered.

How do I make a completed application?

The following paperwork will be required in order to make a completed application:

- Application form/referral form
- One quotation from a contractor approved by the City Council's HIA for the cost of the eligible works demonstrating 'best value'
- Where necessary and in complex cases a specification of eligible works.
- A recommendation for the equipment from a health professional, Occupational Therapist or Trusted Assessor may be requested.

Once all the above paperwork is received or obtained by the City Council's HIA to their satisfaction, then the application will be considered complete.

Once an application is considered complete, the City Council's HIA will in eligible cases approve a grant in accordance with any agreed response time

The grant will only be paid upon the successful completion of the works to the satisfaction of the City Council's HIA and upon receipt of suitable invoice(s).

Grant monies will only normally be paid directly to the contractor who performed the eligible works. Any works over the grant of £500 may in certain circumstances as agreed by the City Council's HIA be paid by the applicant.

2.2. Safe and Warm Grant

What help is available?

The Safe and Secure Grant is designed to enable low income home owners to quickly access financial assistance to carry out a wide range of minor adaptations and small repairs to reduce risks and accidents around the home, promote independent living and assist with hospital discharge or prevent hospital admission.

This is a discretionary grant and therefore such assistance only remains available while funds permit. Funding maybe withdrawn with immediate effect for grants yet to be approved.

Who can apply for a Safe and Warm Grant?

A person is eligible to apply for a Safe and Secure Grant if they:

- own their own home as a freeholder or leaseholder (with at least 5 years left to run), or
- have a license to occupy a park home on a licensed site, and

- live in the local authority area of Carlisle City Council.

The applicant must be 50 years of age or over OR be considered disabled by being in receipt of a disability benefit on the date of a completed application or on one of the following benefits:

- Pension Credit (both Savings and Guarantee)
- Income Support
- Income based Job Seekers Allowance
- Income based Employment and Support Allowance
- Council Tax Reduction formerly known as Council Tax Benefit
- Local Housing Allowance
- Working Tax Credit with a maximum income of £25,000 per annum as assessed by HMRC for that award
- Child Tax Credit with a maximum income of £25,000 per annum as assessed by HMRC for that award
- Universal Credit

What works are eligible?

At the Carlisle City Council's HIA discretion, a grant will be considered for the reasonable cost of the work necessary to:

- carry out minor works to enable independent living
- reduce hazards or risks that are likely to cause serious harm or injury
- carry out a range of works to enable hospital discharge or prevent hospital admission
- examples of eligible works may include:
 - private water supply, drainage and heating issues
 - energy efficiency measures such as cavity wall and loft insulation
 - Draught-proofing including glazing repairs
 - electrical and gas safety
 - safety and security repairs
 - adaptations not eligible for statutory funding from other agencies
 - Deep cleans
 - Top- up to Foundations Independent Living Trust (FILT) grants in certain circumstances

Amount of Assistance

The minimum grant is £250.00, the maximum grant is £7,500. The grant may include the cost of the eligible works plus any agency fee which is normally 15% of the net cost of the works or charges for specific works as set annually

The grant is limited to one application a year and limited to a total of £10,000 in any 'rolling' 3 year period.

What conditions are attached to the grant?

The application must be made on the approved referral form or other format agreed by the Council

Prior to works being carried out, one quotation from a bona fide contractor or other appropriate service provider shall be submitted for the cost of the eligible approved works.

No works shall be carried out without formal grant approval and no retrospective applications will be considered.

How do I make a completed application?

The following paperwork will be required in order to make a completed application:

- Application form/referral form
- One quotation for the cost of the eligible works demonstrating 'best value'
- Where necessary and in complex cases a specification of eligible works

Once all the above paperwork is received or obtained by the City Council to their satisfaction, then the application will be considered complete.

Once an application is considered complete, the City Council's HIA will in eligible cases approve a grant in accordance with any agreed response time

The grant will only be paid upon the successful completion of the works to the satisfaction of the City Council's HIA and upon receipt of suitable invoice(s).

Grant monies will only normally be paid directly to the contractor who performed the eligible works.

Any works over £5,000 will be registered as a local land charge.

3. 0 Other Housing Assistance

The following types of grant assistance may also be available, depending on the availability of external funding:

3. 1 Empty Property Grants

Grants may be available to assist empty home owners to bring there properties back into use. Properties must have been empty for longer than 6 months and registered as empty with Council Tax. The grant would be available to cover the cost of works associated with ensuring the property meets the standards under the Housing Act 2004 and is free from Category 1 hazards.

The terms of the grant would also mean the landlord would be required to let the property out within 12 weeks of completion of the works and the rate of rent must be set at the applicable Local Housing allowance Rate for 12 months. Repayment of the grant will be required if these conditions are contravened.

3.2 Conditions attached to empty property grants

All grants which have been paid will be registered as a Local Land Charge. Immediate repayment of grant will be required if grant conditions are not met. The Council may recover the debt by Enforced Sale proceedings.

General

This policy or any part of it can be withdrawn with immediate effect for individual applications yet to be approved. In such cases applicants will remain eligible for the existing national mandatory Disabled Facilities Grant.

Complaints regarding housing renewal assistance should be made through Carlisle City Council's formal complaints scheme.

**BETTER CARE FUNDING AND PROPOSED CHANGES TO
HOUSING ASSISTANCE POLICY**

Briefing Paper

Carlisle City Council

1. INTRODUCTION

- 1.1 On 25 February the Department of Health wrote to all Directors of Social Services to confirm levels of Disabled Facilities Grant funding to be allocated to Local Housing Authorities within their overall Better Care Fund (BCF) for the financial year 2016/17.
- 1.2 The City Council's allocation for 2016 /2017 from this fund is £1.467,316M.
- 1.3 The Government has made a national commitment to increase levels of capital funding to help Local Authorities enable disabled and elderly and vulnerable people to live independently. At the national level £394M has been allocated for this purpose as compared to £220M in the previous year. As part of that commitment Authorities are being given additional flexibilities as to how that money can be spent, with an expectation that funds shall be used strategically to meet local health, social care and housing priorities. The Health and Well-being Board (HWB) is responsible for the strategic direction of the BCF and for scrutinising the overall use of resources within the BCF.
- 1.4 In addition the extra funding has been released by Government in tandem with the Local Government Ombudsman's (LGO) Report, *Making a House a Home: Local Authorities and Disabled Adaptations 2016*. That report sets out a range of national issues associated with the poor delivery of DFGs by many Councils' such as long waiting times for assistance. Extra funds are being provided to help address these issues and speed up process.
- 1.5. In response to the LGO report and the additional funds awarded a number of changes to the Council's DFG policy are being considered. The Cumbria Housing Group proposals with regards to DFGs and other local authorities schemes have been considered and researched. Going forward, depending on the level of grant awarded and capacity, the Council may decide to use its flexibility further.
- 1.6. This appendix will focus on options with regard to housing assistance other than mandatory DFG's. DFGs remain a mandatory grant and therefore should take precedence over other forms of housing assistance. The government recognises that the additional funding provides flexibilities for Local Authorities as to how the funding can be used to meet a range of joint priorities for housing, social care and health providers.
- 1.7 It is anticipated that the amount of DFG funding will continue to increase until 2019/2010. Based on the current spending levels it is proposed that **£400,000** is allocated annually for forms of housing assistance other than mandatory DFG's. It is also proposed that any underspend from the capital expenditure code 90062 / 9041 is carried forward into subsequent years to ensure that the grants are allocated to improving conditions within the residential sector.

Subject to Carlisle City Council approval, it is proposed that the City Council's Home Improvement Agency (H.I.A.) Homelife Carlisle would administer the discretionary capital works. The HIA has had experience of administering minor works and other grants. In 2016 the HIA won a national award for Foundations Independent Living Trust delivery partner of the year for their works in delivering various Foundations Independent Living Trust (FILT) charity grants.

- 1.8 The HIA currently has two staff involved in administering grants– currently HIA caseworker and HIA Team Leader. Capacity of the staff to deliver grants will need to be regularly assessed and the Policy has been drafted to allow the control of discretionary applications.
- 1.9. In order to ensure that the agency has sufficient resources to undertake this work It is also recommended that the current fee levied against the cost of managing works is increased from 12.5% to 15%. This increase should generate funds needed to better recover costs. If full use is made of £400,000 this would potentially generate up to £60,000 towards the costs of the HIA although a realistic figure is considered to be £30,000.

2. BACKGROUND

- 2.1 Carlisle faces the challenge of demographic change. The number of people aged 65+ is projected to increase by 36% between 2014 and 2030.
- 2.2 The present government's ethos has also shifted towards a policy of less state subsidy and encouraging individual and community responsibility. The emphasis is on home ownership with no new funding for general needs affordable rented homes.
- 2.3 Another challenge is that many of the third sector agencies that assist households who are struggling in private sector housing in the current economic climate, have faced a decrease in their resources which puts increased demands on statutory services at a time when the local authority is also facing meeting increased demand with reduced resources. It is important therefore that any opportunities to access grants, either from government or from external sources such as Foundations Independent Living Trust (F.I.L.T.) via the HIA are utilised to their full potential.
- 2.4. The Regulatory Reform (Housing Assistance) (England and Wales) Order (RRO) 2002 repealed previous prescriptive legislation and brought in a regime that allowed local authorities to introduce more wide ranging powers to provide assistance for housing renewal. The Office of the Deputy Prime Minister Circular 05/2003 explained more fully the purpose and content of the RRO. The RRO 2002 was seen as part of the Government's strategy to tackle

poverty and social exclusion and it set a national priority to provide the opportunity of a decent home for all.

- 2.5. In Carlisle, compared with social housing, private sector housing tenure whilst increasing in recent years has a significantly greater proportion of non-decent dwellings (Housing Need and Demand Study 2011). Delivery of suitable housing that meets the needs of all in the community, including allowing independent living by elderly, is important for the promotion of health and wellbeing throughout life

3.0 Disabled Facilities Grants

- 3.1 The provisions governing mandatory Disabled Facilities Grants (DFGs) are contained in the Housing Grants, Construction and Regeneration Act 1996. DFG's are made in accordance with regulations made under section 11 of the Local Government Act 2003. In 2008 DCLG made changes and raised the maximum grant from £25,000 to £30,000. The Government has recognised the value of people remaining as independent for as long as possible in their homes and have increased the DFG funding. The Government recognises that this additional funding provides flexibilities for Local Authorities to think more strategically in terms of how these funds can be used to meet a range of joint priorities for housing, social care and health providers.
- 3.2 Funding is provided from Government to meet the cost of DFGs. These funds are included within the Better Care Fund administered by Cumbria County Council on behalf of the Health and Well Being Board. This Better Care Fund is used by health and social care to commission a range of joint preventative initiatives. The Department of Health and the Department for Communities and Local Government issued the 2016 /2017 Better Care Fund Policy Framework to confirm the allocation of the DFG funds to the City Council and the need for the City Council as a Housing Authority to agree a joined up approach to improving outcomes across health, social care and housing.
- 3.3 Government guidance *Frequently asked Questions: Better Care Fund 2016-17 planning template* (16.3.16) has specifically stated that the DFG grant can be used for minor adaptations and works as long as they support prevention, promote independence and delayed transfers of care.

4. The provision of Discretionary Assistance

- 4.1 It is being recommended that, subject to sufficient levels of external grant funding been made available from Government, that the Council introduces discretion into its Housing Renewal Assistance Policy by broadening the scope of work that can be covered under a DFG.

- 4.2. The introduction of such flexibility into the process is very much being promoted as good practice nationally via Foundations, the national governing body for Home Improvement Agencies. In 2008-9 the government extended the scope of the RRO to include the use of the DFG money. This enables the Housing Authority to use specific DFG funding for wider purposes. (Disabled Facilities Grant – The Package of changed to Modernise the Programme). The City Council is able to introduce such a level of flexibility using freedoms given to it following the Regulatory Reform Order.
- 4.3. Certain additional requirements are recommended within the policy regarding the payment of such awards, for example in relation to private tenants it is a requirement that a landlord must be prepared to fund 50% of the cost of any works carried out over and above the statutory minimum.

5. Regulatory Reform Order

- 5.1. The powers provided under the Regulatory Reform (Housing Assistance) (England and Wales) Order 2002 are able to offer an alternative to the national mandatory Disabled Facilities Grant (DFG) scheme for Carlisle residents – particularly vulnerable, disabled and older people.
- 5.2. These powers enable local housing authorities to offer their own, locally tailored financial assistance. The assistance must provide at least the same level of assistance as that offered by the existing Mandatory DFG, but crucially the assistance available under this policy enables the provision of more flexible, wide ranging financial assistance, to better meet the needs and target resources to the most vulnerable people.
- 5.3. The expectation is that the powers under the RRO will be used and as the DFG monies are now within the Better Care Fund so other health priorities such as speeding up hospital discharge and the health prevention agenda can be taken into account with regard to how DFG is used. However the scope of the order is very wide and it allows the Council to decide whether it provides grants, loans, advice for the purposes of repairing, improving, extending or adapting accommodation. DFG funding can be used for revenue or capital works.
- 5.4. The RRO allows for local authorities through its Housing Renewal Assistance Policy to support residents with home repairs and energy efficiency measures as part of the DFG grant. The stipulation is that the Policy should be laid out within a private sector housing policy and that mandatory applicants are not disadvantaged by the policy. Furthermore as local authorities have this discretion they cannot have a blanket policy that says they will never use it

and they must have a mechanism for considering exceptions so as not to fetter their discretion.

The Housing Renewal Assistance Policy Document 2017 has been revised in light of the additional guidance.

EXCERPT FROM THE MINUTES OF THE COMMUNITY OVERVIEW AND SCRUTINY PANEL HELD ON 24 NOVEMBER 2016

COSP.78/16 HOUSING ASSISTANCE POLICY 2017

The Corporate Director of Governance and Regulatory Services submitted report GD.66/16 concerning the Scheme of Housing Assistance.

The Corporate Director informed Members that, following a significant increase in the City Council's Disabled Facilities Grant (DFG) funding (to help disabled, elderly and vulnerable people to live independently), it was recommended that the City Council introduced additional discretion into its Housing Renewal Assistance Policy by broadening the scope of work that could be covered under a DFG and by the DFG funding for wider purposes.

The City Council was able to introduce such flexibility using freedoms given to it following the Regulatory Reform (Housing Assistance) (England and Wales) Order 2002 and recent Technical Guidance issued with the Better Care Fund.

Members' attention was also drawn to the further background information included in the Briefing Paper attached at Appendix 2, together with the revised Policy for Housing Renewal Assistance 2017 provided at Appendix 1. The revised Policy confirmed the position regarding Mandatory Disabled Facilities Grants.

The Executive had on 21 November 2016 (EX.111/16) received the report and decided:

"That the Executive:

1. Had considered the proposed revised Housing Renewal Assistance Policy 2017, Appendix 1 to Report GD.66/16.
2. Referred the said Policy to the Community Overview and Scrutiny Panel for consideration in accordance with the Council's Budget and Policy Framework."

In considering the report Members raised the following comments and questions:

- Why had there been an increase in the DFG funding?

The Corporate Director of Governance and Regulatory Services reminded the Panel that the DFG funding had changed and was now provided through the Better Care Fund which was distributed by Cumbria County Council.

The Economy, Enterprise and Housing Portfolio Holder added that the increase was in recognition of the importance of Adult Services and Local Housing Authorities in keeping people in their own homes for longer and in the reduction of 'bed blocking'. Often people could not be discharged from hospital as they did not have a suitable care package available when they got home. It was hoped that the additional funding and changes to the Policy would help address some of the issues.

The Environmental Health and Housing Manager explained that the amount given was based on the anticipated expenditure based on previous returns.

- Usually the cost of business decreased as the amount of business increased, however the DFGs agency cost had increased instead of reduced. The increase to the cost of DFGs administration fee (from 12.5% to 15%) equated to a 20% increase in the charge which was much higher than the Council's 3% Corporate Charging Policy for fees and charges.

The Corporate Director explained that the changes to the Policy would increase the amount of people the Council could help and, thereby, the amount of work to be done. The Council had to seek to cover its costs. The full set of charges were set out in the Charges Review report later on the agenda which showed an increase in the cost of DFGs from 12.5% to 15%.

The proposed changes would bring more focus and purpose to the Homelife Team but the Authority had to get the balance right so that they did not make a profit or subsidise the scheme.

The Economy, Enterprise and Housing Portfolio Holder reminded the Panel that the initiative was County wide and a lot of consideration had been given to how the additional grants could be used.

- Was there a waiting list for DFGs and if not how was the additional money going to be used?

The Private Sector Housing Technical Team Manager confirmed that there was no waiting list for DFGs and adaptations took approximately 6 weeks to complete. The changes to the Policy would not change the statutory grants but would add discretionary grants.

- Why was Riverside the only Housing Association in the report when other Associations provided money towards DFGs? It would be better to change the report so it just said Housing Associations.

The Private Sector Housing Technical Team Manager explained that Riverside used to make a financial contribution to the DFG budget before taking the service in house. Riverside properties accounted for 1/3 of the DFG adaptations. Two Castles did contribute to the DFG budget when they had the funding to do so but no other Housing Associations contributed to the DFG budget.

In response to a question the Corporate Director detailed how Land Charges could be placed on properties that had works carried out on them.

RESOLVED – 1) That the changes to the Housing Assistance Policy 2017 be welcomed (GD.68/16);

2) That Section 1.1 of the Policy Document be amended to reflect the contribution from all Housing Associations not just Riverside.



NOTICE OF EXECUTIVE KEY DECISIONS

18 November 2016

Notice of Key Decisions

This document provides information on the 'key decisions' to be taken by the Executive within the next 28 days. The Notice will be updated on a monthly basis and sets out:

- Details of the key decisions which are to be taken;
- Dates of the Executive meetings at which decisions will be taken;
- Details of who will be consulted and dates for consultation;
- Reports and background papers which will be considered during the decision making process;
- Details of who to contact if further information is required
- Details of where the document can be inspected
- Details of items which the public may be excluded from the meeting under regulation 4(2) and the reason why
- Details of documents relating to the decision which need not, because of regulation 20(3) be disclosed to the public and the reason why.

The dates on which each new Notice will be published are set below:

Publication Dates

21 October 2016	13 January 2017	7 April 2017
18 November 2016	10 February 2017	
20 December 2016	10 March 2017	

Key decisions are taken by the City Council's Executive and these are usually open to the public. Agendas and reports and any other documents relevant to the decision which may be submitted can be viewed in the Customer Contact Centre at the Civic Centre, Carlisle or on the City Council's website (www.carlisle.gov.uk). Agendas and reports are published one week ahead of the meeting.

A Key Decision is an Executive decision which is likely –

- (a) to result in the relevant local authority incurring expenditure which is, or the making of savings which are, significant* having regard to the local authority's budget for the service or function to which the decision relates;
- (b) to be significant in terms of its effects on communities living or working in an area comprising two or more wards or electoral divisions in the area of the relevant local authority.

*significant expenditure or savings to the authority in excess of £70,000

The City Council's Executive Members are:

Councillor Glover –Leader
Councillor Dr Tickner – Finance, Governance and Resources Portfolio Holder
Councillor Ms Quilter – Culture, Leisure and Young People Portfolio Holder
Councillor Mrs Bradley – Economy, Enterprise and Housing Portfolio
Councillor Miss Sherriff – Communities, Health and Wellbeing Portfolio Holder
Councillor Southward – Environment and Transport Portfolio Holder

Should you wish to make any representations in relation to the items being held in private or If you require further information regarding this notice please contact Committee Services on 01228 817039 or committeeservices@carlisle.gov.uk.

Index of Active Key Decisions

		Date Decision to be considered:	Date Decision to be taken:
KD.15/16	North West Coast Connections Project S42 Consultation Response		19 December 2016
KD.20/16	Tullie House Business Plan	21 November 2016 consultation period to include Overview and Scrutiny as appropriate	19 December 2016
KD.21/16	Budget Process 2017/18	21st November 2016 consultation period to include Overview and Scrutiny as appropriate 12th December 2016 consultation period to include Overview and Scrutiny as appropriate 19th December 2016 consultation period to include Overview and Scrutiny as appropriate 18th January 2017 consultation period to include Overview and Scrutiny as appropriate	21st November 2016 12th December 2016 19th December 2016 18th January 2017
KD.24/16	Polling Station Review 2016/17		19 December 2016
KD.27/16	Public Realm / Green Market		19 December 2016

Index of Active Key Decisions

		Date Decision to be considered:	Date Decision to be taken:
KD.28/16	Regulatory Reform (Housing Assistance) (England and Wales) Order 2002 Changes to existing Housing Assistance Policy	21 November 2016 (under General Exemption) consultation period to include Overview and Scrutiny as appropriate	19 December 2016

Notice of Key Decisions to be taken by the Executive

The following key decision is to be made on behalf of Carlisle City Council:

Key Decision Reference:	KD.15/16
Type of Decision:	Executive
Decision Title:	North West Coast Connections Project S42 Consultation Response
Decision to be taken:	The Executive will be asked to respond to the S42 Consultation on the North West Coast Connections Project
Date Decision to be considered:	
Date Decision to be taken:	19 December 2016
Is the Decision Public or Private?:	The decision will be taken in public.
Documents submitted for consideration in relation to the Decision:	The report of the Corporate Director of Economic Development will be available five working days before the meeting
Contact Officer for this Decision:	Director of Corporate Economic Development, Carlisle City Council, Civic Centre, Carlisle, CA3 8QG
Relevant Portfolio Area:	Economy, Enterprise and Housing (Councillor Mrs Bradley)
Relevant or Lead Overview and Scrutiny Panel:	Environment and Economy Overview and Scrutiny Panel

All public reports can be viewed in the Customer Contact Centre of the Civic Centre, Carlisle, the Public Library and on the Council's website www.carlisle.gov.uk.

Other documents relevant to the matter may be submitted to the decision maker. These, if available, may be obtained by contacting the named contact officer.

Notice of Key Decisions to be taken by the Executive

The following key decision is to be made on behalf of Carlisle City Council:

Key Decision Reference:	KD.20/16
Type of Decision:	Executive
Decision Title:	Tullie House Business Plan
Decision to be taken:	The Executive will be asked to consider the Tullie House Business Plan and refer it to the Community Overview and Scrutiny Panel prior to making recommendations to Council.
Date Decision to be considered:	21 November 2016 consultation period to include Overview and Scrutiny as appropriate
Date Decision to be taken:	19 December 2016
Is the Decision Public or Private?:	The decision will be taken in public.
Documents submitted for consideration in relation to the Decision:	The report of the Deputy Chief Executive will be available five working days before the meeting
Contact Officer for this Decision:	Deputy Chief Executive, Carlisle City Council, Civic Centre, Carlisle, CA3 8QG
Relevant Portfolio Area:	Culture, Heritage and Leisure (Councillor Ms Quilter)
Relevant or Lead Overview and Scrutiny Panel:	Community Overview and Scrutiny Panel

All public reports can be viewed in the Customer Contact Centre of the Civic Centre, Carlisle, the Public Library and on the Council's website www.carlisle.gov.uk.

Other documents relevant to the matter may be submitted to the decision maker. These, if available, may be obtained by contacting the named contact officer.

Notice of Key Decisions to be taken by the Executive

The following key decision is to be made on behalf of Carlisle City Council:

Key Decision Reference:	KD.21/16
Type of Decision:	Executive
Decision Title:	Budget Process 2017/18
Decision to be taken:	<p>The Executive will be asked to:</p> <p>Consider strategic financial issues arising from the budget setting process</p> <p>(a) Budget Update – Revenue Estimates including spending pressures and savings (21st November 2016)</p> <p>(b) Individual Charges Reviews (21st November 2016)</p> <p>(c) New Capital Spending Proposals and Provisional Capital Programme (21st November 2016)</p> <p>(d) Corporate Assets – Repair and Maintenance Programme (21st November 2016)</p> <p>(e) Treasury Management and Prudential Borrowing Implications (21st November 2016)</p> <p>(f) Local Taxation (including CTRS) (21st November 2016)</p> <p>(g) Review of Reserves & Balances (19 December 2016)</p> <p>(h) Consideration of Overview and Scrutiny Consultation feedback (12th December 2016)</p> <p>(i) Draft Revenue Support Grant Settlement (if available) (19th December 2016)</p> <p>(j) Summary Overall Revenue and Capital Position (if required) including decision on Business Rate Pooling (19th December 2016)</p> <p>(k) Draft Treasury Management and Investment Strategy including MRP Strategy (19th December 2016)</p> <p>(l) Executive Draft Budget Proposals for consultation (19th December 2016)</p> <p>(m) Pension Fund Revaluation (18th January 2017)</p> <p>(n) Final Revenue Support Grant and Final Revenue Budget Summary (if required) (18th January 2017)</p> <p>(o) Provisional Capital Programme (18th January 2017)</p> <p>(p) Treasury Management and Investment Strategy including MRP Strategy (18th January 2017)</p> <p>(q) Consideration of Final Budget Consultation (18th January 2017)</p> <p>(r) Executive's Final Budget Proposals (18th January 2017)</p>
Date Decision to be considered:	<p>21st November 2016 consultation period to include Overview and Scrutiny as appropriate</p> <p>12th December 2016 consultation period to include Overview and Scrutiny as appropriate</p> <p>19th December 2016 consultation period to include Overview and Scrutiny as appropriate</p>

	18th January 2017 consultation period to include Overview and Scrutiny as appropriate
Date Decision to be taken:	21st November 2016 12th December 2016 19th December 2016 18th January 2017
Is the Decision Public or Private?:	The decisions will be taken in public.
Documents submitted for consideration in relation to the Decision:	The report of the Chief Finance Officer will be available five working days before the meeting
Contact Officer for this Decision:	Chief Finance Officer, Carlisle City Council, Civic Centre, Carlisle, CA3 8QG
Relevant Portfolio Area:	Finance, Governance and Resources (Councillor Dr Tickner)
Relevant or Lead Overview and Scrutiny Panel:	Resources Overview and Scrutiny Panel, Community Overview and Scrutiny Panel, Environment and Economy Overview and Scrutiny Panel

All public reports can be viewed in the Customer Contact Centre of the Civic Centre, Carlisle, the Public Library and on the Council's website www.carlisle.gov.uk.

Other documents relevant to the matter may be submitted to the decision maker. These, if available, may be obtained by contacting the named contact officer.

Notice of Key Decisions to be taken by the Executive

The following key decision is to be made on behalf of Carlisle City Council:

Key Decision Reference:	KD.24/16
Type of Decision:	Executive
Decision Title:	Polling Station Review 2016/17
Decision to be taken:	The Executive will be asked to make recommendations to Council on polling arrangements within the City Council area
Date Decision to be considered:	
Date Decision to be taken:	19 December 2016
Is the Decision Public or Private?:	The decision will be taken in public
Documents submitted for consideration in relation to the Decision:	The report of the Corporate Director of Governance and Regulatory Services, Carlisle City Council, Civic Centre, Carlisle, CA3 8QG will be available five working days before the meeting
Contact Officer for this Decision:	Corporate Director of Governance and Regulatory Services, Carlisle City Council, Civic Centre, Carlisle, CA3 8QG
Relevant Portfolio Area:	Finance, Governance and Resources (Councillor Dr Tickner)
Relevant or Lead Overview and Scrutiny Panel:	Resources Overview and Scrutiny Panel

All public reports can be viewed in the Customer Contact Centre of the Civic Centre, Carlisle, the Public Library and on the Council's website www.carlisle.gov.uk.

Other documents relevant to the matter may be submitted to the decision maker. These, if available, may be obtained by contacting the named contact officer.

Notice of Key Decisions to be taken by the Executive

The following key decision is to be made on behalf of Carlisle City Council:

Key Decision Reference:	KD.27/16
Type of Decision:	Executive
Decision Title:	Public Realm / Green Market
Decision to be taken:	The Executive will be asked to consider and agree proposals for Public Realm improvements to the Green Market
Date Decision to be considered:	
Date Decision to be taken:	19 December 2016
Is the Decision Public or Private?:	The decision will be taken in public.
Documents submitted for consideration in relation to the Decision:	The report of the Corporate Director of Economic Development will be available five working days before the meeting
Contact Officer for this Decision:	Corporate Director of Economic Development, Carlisle City Council, Civic Centre, Carlisle, CA3 8QG
Relevant Portfolio Area:	Economy, Enterprise and Housing (Councillor Mrs Bradley)
Relevant or Lead Overview and Scrutiny Panel:	Environment and Economy Overview and Scrutiny Panel

All public reports can be viewed in the Customer Contact Centre of the Civic Centre, Carlisle, the Public Library and on the Council's website www.carlisle.gov.uk.

Other documents relevant to the matter may be submitted to the decision maker. These, if available, may be obtained by contacting the named contact officer.

Notice of Key Decisions to be taken by the Executive

The following key decision is to be made on behalf of Carlisle City Council:

Key Decision Reference:	KD.28/16
Type of Decision:	Executive
Decision Title:	Regulatory Reform (Housing Assistance) (England and Wales) Order 2002 Changes to existing Housing Assistance Policy
Decision to be taken:	The Executive will be asked to approve amendments to the Existing Housing Assistance Policy, to include discretionary housing assistance funding through the scope of the Disabled Facility Grant funding under the Better Care Fund.
Date Decision to be considered:	21 November 2016 (under General Exemption) consultation period to include Overview and Scrutiny as appropriate
Date Decision to be taken:	19 December 2016
Is the Decision Public or Private?:	The decision will be taken in public
Documents submitted for consideration in relation to the Decision:	The report of the Corporate Director of Governance and Regulatory Services will be available five working days before the meeting
Contact Officer for this Decision:	Corporate Director of Governance and Regulatory Services, Carlisle City Council, Civic Centre, Carlisle, CA3 8QG
Relevant Portfolio Area:	Communities, Health and Wellbeing (Councillor Miss Sherriff)
Relevant or Lead Overview and Scrutiny Panel:	Community Overview and Scrutiny Panel

All public reports can be viewed in the Customer Contact Centre of the Civic Centre, Carlisle, the Public Library and on the Council's website www.carlisle.gov.uk. Other documents relevant to the matter may be submitted to the decision maker. These, if available, may be obtained by contacting the named contact officer.

Notice prepared by Councillor Colin Glover,
Leader of Carlisle City Council

Date: 18 November 2016

Below is a list of decisions taken by Individual Portfolio Holders acting under delegated powers, full details can be viewed on the Council's website www.carlisle.gov.uk:

PF.014/16 Landlords Consent

Portfolio Holder who made Decision: Councillor Dr Les Tickner

Portfolio Area: Finance, Governance and Resources

Subject Matter:

To consider a request from the tenant for a part surrender of the lease of Unit 59, 11 Globe Lane.

Summary of Options rejected: To refuse consent.

DECISION

To grant Landlords consent.

Reasons for Decision

To allow the surrender of the lease to proceed.

Background Papers considered:

Request received from the tenant - Private - Not for publication by virtue of paragraph 3 of Part 1 of Schedule 12A of the Local Government Act 1972

Date Decision Made: 30/11/16 **Implementation Date:**

PF.015/16 Castle Way Toucan Crossing - Purchase of granite paving materials

Portfolio Holder who made Decision: Councillor Southward, Environment and Transport Portfolio Holder

Portfolio Area: Environment and Transport

Subject Matter:

The Castle Way Toucan Crossing Scheme requires the use of granite paving materials from a specific supplier to match the materials previously agreed for use in the historic area of the City.

Summary of Options rejected: The use of alternative materials would have required the approval of the County Council and this was unlikely to be given as they would not have matched the materials previously used on areas adjacent to the proposed works.

DECISION

To purchase a range of Scottish Granite paving materials to a total value of £35,700 from Fyfe Glenrock Ltd, Oldmeldrum.

Reasons for Decision

It has previously been agreed with the County Council that a specific pallet of traditional paving materials would be used on public realm schemes such as this one in the historic area of the City. The County Council has agreed to maintain any areas paved using these materials. The Scottish Granite is required for use on the raised table to be constructed at the junction of Finkle Street and Castle Street and matches the same material already in use on Castle Street and Abbey Street.

Background Papers considered:

Report ED.39/16 to Council on 8 November 2016

Date Decision Made:

29/11/16

Implementation Date:

PF.016/16

Hadrian's Cavalry Programme with a Roman Turma Event: 1-2 July 2017

Portfolio Holder who made Decision:

Councillor Colin Glover

Portfolio Area:

Leader's Portfolio

Subject Matter:

The Hadrian's Cavalry programme is an exhibition and events project developed by a partnership of key museums (led by Tullie House locally) and the Hadrian's Wall Marketing Group. It will take place at ten attractions across the full length of Hadrian's Wall in celebrating the elite Roman cavalry regiments that guarded Hadrian's Wall 2,000 years ago. A series of high profile exhibitions will take place in museums and at key sites across the wall.

In Carlisle these will focus on a Roman Turma Event (a series of live reenactments Roman Cavalry Unit exercises over two days in Bitts Park), and an ongoing major Roman Cavalry themed exhibition at Tullie House.

The Turma event will take place on the 1st and 2nd July and will be the largest Roman cavalry re-enactments ever seen in the UK. Throughout the 2 days a troop (turma) of 30 Roman cavalymen will come together to perform training exercises described by Hadrian himself 2,000 years ago.

The exhibition and events are expected to be a significant boost to visitor numbers from to Carlisle in 2017.

The wall wide programme has a budget of £835,000 with the majority of funding coming via Arts Council England (£690,000) and the remaining £145,000 being sourced via partner contributions from museums and local authorities along the walls span and commercial / sponsorship income.

Carlisle City Council has been asked for a contribution of £45,000 specifically towards the Carlisle focused elements of the programme (£25,000 for the live reenactment show piece Turma events in Bitts Park; £10,000 for marketing the Turma event; and £10,000 for the exhibition at Tullie House).

Summary of Options rejected:

Not to consider supporting the event

DECISION

To support the 2017 Hadrian's Cavalry Programme with £45,000 of funding for the Turma, marketing and the exhibition at Tullie House.

This can be provided from the City Council's existing events funding, with £38,000 coming from 2016-2017 budgets and £7000 from 2017-2018 budgets.

Reasons for Decision

We want to promote Carlisle regionally, nationally and internationally and encourage visitors to our city.

Background Papers considered:

Application Form - Not for publication by virtue of paragraph 3 of Part 1 of Schedule 12A to the Local Government Act 1972.

Date Decision Made: 05-Dec-16 **Implementation Date:**

Notice of Decisions taken by Officers of Carlisle City Council

Officer Decision Reference:	<u>OD.154/16</u>		
Subject Title:	<u>Licensing Decisions taken between 4 November 2016 to 11 November 2016</u>		
Subject Matter:	<u>The Corporate Director of Governance and Regulatory Services of Carlisle City Council has considered the applications for licences and permissions received between 4 November and 11 November 2016</u>		
Decision Taken:	<u>The Corporate Director of Governance and Regulatory Services has granted the attached licences or permissions under an express authorisation delegated to her and in accordance with the Council's policy requirements. (can be viewed on the Council website http://CMIS.carlisle.gov.uk/CMIS/CouncilDecisions/OfficerDecisions.aspx)</u>		
Key or Non-Key Decision:	<u>Non-Key</u>	Key Decision Reference:	<u>Not applicable</u>
Relevant Portfolio Area:	<u>Finance, Governance and Resources</u>		
Officer who made Decision:	<u>Corporate Director of Governance and Regulatory Services, Carlisle City Council, Civic Centre, Carlisle, CA3 8QG</u>		
Date Decision Made:	<u>11-Nov-16</u>		
Reports and Background Papers considered:	<u>Applications for various licences</u>		
Reasons for Decision:	<u>The applications were granted as they fulfilled the necessary application criteria and no representations against the applications had been received</u>		
Summary of Options rejected:	<u>As no relevant representations (or comments as appropriate) were received, no alternative options were considered</u>		
Interests declared:	None		

Notice of Decisions taken by Officers of Carlisle City Council

Date published:	11-Nov-16
Urgent decision not subject to call in:	No
Consent of Chairman/ Deputy Chairman of Council to Urgency:	Not applicable
Deadline for call-in:	Not applicable
Implementation date if not called-in:	Not applicable
Relevant Overview and Scrutiny Panel:	Resources Overview and Scrutiny Panel

All public reports can be viewed in the Customer Contact Centre of the Civic Centre, Carlisle and on the Council's website www.carlisle.gov.uk. Other documents relating to the matter may be submitted to the decision maker. These, if available, may be obtained by contacting the named contact officer.

Notice of Decisions taken by Officers of Carlisle City Council

Officer Decision Reference:	<u>OD.155/16</u>		
Subject Title:	<u>Flood Reinstatement: Consultancy/survey costs for Sheepmount riverbank damage Bingham Yates Partners Ltd</u>		
Subject Matter:	<p>In line with Executive report RD59/15 of the 07/03/16 a general exemption was granted under Contract Procedure Rule (CPR) 1(d) from compliance with the tendering requirements stated in CPR 10.</p> <p>Requests resulting from which would be seen by the appointed Procurement Panel.</p> <p>Following damage incurred during storm Desmond, engineering consultancy services were required to design and seek appropriate approvals for repairs to the river banks / tracks in the Sheepmount. Along with supplying relevant documentation to allow the work to be tendered.</p> <p>Cost of the services to come in at £9,000</p>		
Decision Taken:	<u>Approval from all members of the appointed Procurement Panel.</u>		
Key or Non-Key Decision:	<u>Non-Key</u>	Key Decision Reference:	<u>Not applicable</u>
Relevant Portfolio Area:	<u>Finance, Governance and Resources</u>		
Officer who made Decision:	<u>Corporate Director of Governance and Regulatory Services, Carlisle City Council, Civic Centre, Carlisle, CA3 8QG</u>		
Date Decision Made:	<u>28-Jul-16</u>		
Reports and Background Papers considered:	<u>The Procurement Panel has been provided with a full and detailed pro forma from the departmental lead officer.</u>		
Reasons for Decision:	<u>In the view of the Panel , procurement complies with Executive report RD.59/15 , 07/03/16</u>		

Notice of Decisions taken by Officers of Carlisle City Council

Summary of Options rejected:	Bingham Yates have the expertise and capacity to carry out the work and were recommended by the Building Facilities manager as they have carried out similar projects in the past.
Interests declared:	None
Date published:	15-Nov-16
Urgent decision not subject to call in:	No
Consent of Chairman/ Deputy Chairman of Council to Urgency:	Not applicable
Deadline for call-in:	Not applicable
Implementation date if not called-in:	Not applicable
Relevant Overview and Scrutiny Panel:	Resources Overview and Scrutiny Panel

All public reports can be viewed in the Customer Contact Centre of the Civic Centre, Carlisle and on the Council's website www.carlisle.gov.uk. Other documents relating to the matter may be submitted to the decision maker. These, if available, may be obtained by contacting the named contact officer.

Notice of Decisions taken by Officers of Carlisle City Council

Officer Decision Reference:	<u>OD.156/16</u>		
Subject Title:	<u>Flood Reinstatement: Bitts Park Tennis Facility - Fencing - Doe Sports</u>		
Subject Matter:	<p>In line with Executive report RD59/15 of the 07/03/16 a general exemption was granted under Contract Procedure Rule (CPR) 1(d) from compliance with the tendering requirements stated in CPR 10.</p> <p>Requests resulting from which would be seen by the appointed Procurement Panel.</p> <p>Following the floods the external mains distribution, lighting, fencing, pavilion, courts and kiosk have all been damaged.</p> <p>Currently we have temporary fencing around the courts and tennis balls are rolling under them constantly leading to many complaints from customers.</p> <p>Alongside this, the site does not look attractive and welcoming as a sports venue and has the appearance of a building site rather than a tennis facility that is open for use.</p> <p>We would like to progress the replacement of the permanent fencing to the top tennis courts at Bitts park.</p> <p>Costs for the works are to be £18,036.18</p>		
Decision Taken:	<u>Approval from all members of the appointed Procurement Panel.</u>		
Key or Non-Key Decision:	<u>Non-Key</u>	Key Decision Reference:	<u>Not applicable</u>
Relevant Portfolio Area:	<u>Finance, Governance and Resources</u>		
Officer who made Decision:	<u>Corporate Director of Governance and Regulatory Services, Carlisle City Council, Civic Centre, Carlisle, CA3 8QG</u>		

Notice of Decisions taken by Officers of Carlisle City Council

Date Decision Made:	<u>28-Jul-16</u>
Reports and Background Papers considered:	<u>The Procurement Panel has been provided with a full and detailed pro forma from the departmental lead officer.</u>
Reasons for Decision:	<u>In the view of the Panel , procurement complies with Exec report RD59/15 , 07/03/16. Quotes received from other fencing contractors but the DOE price was for all fencing including lower tennis courts were a planned tennis canopy is to be installed. DOE Sports will be carrying out the work for the tennis canopy contractor SMC2 in partnership with the LTA. Therefore making sense to have 1 contractor carrying out fencing works on the same facility</u>
Summary of Options rejected:	<u>as detailed above</u>
Interests declared:	<u>None</u>
Date published:	<u>15-Nov-16</u>
Urgent decision not subject to call in:	<u>No</u>
Consent of Chairman/ Deputy Chairman of Council to Urgency:	<u>Not applicable</u>
Deadline for call-in:	<u>Not applicable</u>
Implementation date if not called-in:	<u>Not applicable</u>
Relevant Overview and Scrutiny Panel:	<u>Resources Overview and Scrutiny Panel</u>

Notice of Decisions taken by Officers of Carlisle City Council

All public reports can be viewed in the Customer Contact Centre of the Civic Centre, Carlisle and on the Council's website www.carlisle.gov.uk. Other documents relating to the matter may be submitted to the decision maker. These, if available, may be obtained by contacting the named contact officer.

Notice of Decisions taken by Officers of Carlisle City Council

Officer Decision Reference:	<u>OD.157/16</u>
Subject Title:	<u>Flood Reinstatement: Temporary Changing Rooms at the Sheepmount</u>
Subject Matter:	<p>In line with Executive report RD59/15 of the 07/03/16 a general exemption was granted under Contract Procedure Rule (CPR) 1(d) from compliance with the tendering requirements stated in CPR 10.</p> <p>Requests resulting from which would be seen by the appointed Procurement Panel.</p> <p>Following the floods the upper and lower changing rooms at the Sheepmount have been damaged. They have both been stripped out and dried out as future options for the Sheepmount are worked up.</p> <p>The football season starts at the end of August and with no current changing room provision the proposed temporary changing rooms would be in place for the full season.</p> <p>We have been working with the youth football league and City adult football league to look at plans for the new season. This would involve opening up the sheepmount to accommodate the number of teams that need football pitches. Since the floods in December the adult league in particular had to cancel many matches as they did not have enough grass pitches to complete the fixtures.</p> <p>The Sheepmount is a key strategic site for football both in Carlisle and North Cumbria. It accommodates teams from the Northern Alliance League, the Longhorne youth League, the Westmorland League and the City Sunday League. Carlisle does not have enough spare capacity of adult pitches should the sheepmount not be opened up for the season and to do this it needs changing rooms and ancillary facilities.</p> <p><u>Cost of the changerooms is £33,400</u></p>
Decision Taken:	<u>Approval from all members of the appointed Procurement Panel.</u>

Notice of Decisions taken by Officers of Carlisle City Council

Key or Non-Key Decision:	<u>Non-Key</u>	Key Decision Reference:	<u>Not applicable</u>
Relevant Portfolio Area:	<u>Finance, Governance and Resources</u>		
Officer who made Decision:	<u>Corporate Director of Governance and Regulatory Services, Carlisle City Council, Civic Centre, Carlisle, CA3 8QG</u>		
Date Decision Made:	<u>29-Jul-16</u>		
Reports and Background Papers considered:	<u>The Procurement Panel has been provided with a full and detailed pro forma from the departmental lead officer.</u>		
Reasons for Decision:	<u>In the view of the Panel , procurement complies with Exec report RD59/15 , 07/03/16. A W Blake is a local company, we were introduced to through a member of the Carlisle Ambassadors. We have been speaking to a number of portable changing room companies but A W Blake can provide the same solution for us at better value. Other companies we have been dealing with to get quotes have been from the Lancashire area which have included added costs such as transport/site visits with price increases of up to 25% quoted.</u>		
Summary of Options rejected:	<u>As detailed above</u>		
Interests declared:	<u>None</u>		
Date published:	<u>15-Nov-16</u>		
Urgent decision not subject to call in:	<u>No</u>		
Consent of Chairman/ Deputy Chairman of Council to Urgency:	<u>Not applicable</u>		

Notice of Decisions taken by Officers of Carlisle City Council

Deadline for call-in:	Not applicable
Implementation date if not called-in:	Not applicable
Relevant Overview and Scrutiny Panel:	Resources Overview and Scrutiny Panel

All public reports can be viewed in the Customer Contact Centre of the Civic Centre, Carlisle and on the Council's website www.carlisle.gov.uk. Other documents relating to the matter may be submitted to the decision maker. These, if available, may be obtained by contacting the named contact officer.

Officer Decisions

Below is a list of decisions taken by Officers which they have classed as significant, full details and supporting background documents can be viewed on the Council's website www.carlisle.gov.uk/CMIS/

Decision Ref No	Subject Title	Decision:	Reports and Background Papers considered:	Date Decision Taken	Decision Maker
OD.158/16	Licensing Decisions taken between 11 November 2016 to 18 November 2016	The Corporate Director of Governance and Regulatory Services has granted the attached licences or permissions under an express authorisation delegated to her and in accordance with the Council's policy requirements. (can be viewed on the Council website http://CMIS.carlisle.gov.uk/CMIS/CouncilDecisions/OfficerDecisions.aspx)	Applications for various licences	18-Nov-16	Corporate Director of Governance and Regulatory Services
OD.159/16	Carlisle City Centre	That the following promotions be approved in the City Centre: DW Fitness leaflet authorisation letter. Carlisle College leaflet authorisation letter. Costa Coffee on Court Square Pavement Café Licence approved. The Fryery Pavement Café Licence approved. The Script @No4 Pavement Café Licence approved. RSPB Promotion once per month in 2017. Caritas Care Adoption promotion once per month in 2017. Impact Housing leaflet authorisation letter. Army Recruitment Event 13th - 15th February 2017 'The Boiler Company' promotion 21/11/2016 - 10/12/2016	Applications received - Private Not for Publication by Virtue of Paragraph 3 of Part 1 of Schedule 12A of the Local Government Act	18-Nov-16	City Centre Officer

Decision Ref No	Subject Title	Decision:	Reports and Background Papers considered:	Date Decision Taken	Decision Maker
OD.160/16	Licensing Decisions taken between 18 November 2016 and 25 November 2016	The Corporate Director of Governance and Regulatory Services has granted the attached licences or permissions under an express authorisation delegated to him and in accordance with the Council's policy requirements. (can be viewed on the Council website http://CMIS.carlisle.gov.uk/CMIS/CouncilDecisions/OfficerDecisions.aspx	Applications for various licences	25-Nov-16	Corporate Director of Governance and Regulatory Services
OD.161/16	Christmas in the City	Carlisle City Council has agreed to support the event with £3000 in financial support; use of up to 10 of the Council's gazebos, with our staff erecting and dismantling them; waived the city centre charge and offered some advertising on the Civic Centre digital banner site.	Application forms - Private - Not for Publication by virtue of Paragraph 3 of Part 1 of Schedule 12A of the Local Government Act 1972	15-Nov-16	Deputy Chief Executive
OD.162/16	The Castle Exhibition - Cumbria Museum of Military Life	Carlisle City Council has agreed to support the event with £1200 in financial support; and help to promote the event by offering advertising on the Civic Centre digital banner site.	Application forms - Private - Not for publication by virtue of Paragraph 3 of Part 1 of Schedule 12A of the Local Government Act 1972	15-Nov-16	Deputy Chief Executive
OD.163/16	Carlisle City Centre	That the following promotions be approved in the City Centre: Cumbria Blood Bikes promotion & street collection - 30/11/2016 Carlisle South Rotary street collection - 22/12/2016 Lost On A Mountain Pavement Café Licence approval Leaflet authorisation for 'Mighty Salmon Studios'	Applications received - Private - Not for publication by virtue of Paragraph 3 of Part 1 of Schedule 12A of the Local Government Act 1972	25-Nov-16	City Centre Officer

Notice of Decisions taken by Officers of Carlisle City Council

Officer Decision Reference:	<u>OD.164/16</u>		
Subject Title:	<u>Flood Reinstatement - Contractor Appointments August - November 2016</u>		
Subject Matter:	<p>Following a selective tender exercise for the following properties: No's 4/6/7/8 Warwick Street Adriano's Restaurant Botcherby Community Centre John Street Accommodation and Shaddongate Resources Centre</p> <p>The attached contractors were successful in gaining appointment for works of reinstatement following the flooding of December 2015.</p>		
Decision Taken:	<p>Under Executive report RD.59/15 of the 07/03/16 a general exemption was granted under Contract procedure Rule (CPR) 1(d) from compliance with the tendering requirements stated in CPR 10.</p> <p>In line with this the Procurement Panel approved the appointment of all attached contractors.</p>		
Key or Non-Key Decision:	<u>Non-Key</u>	Key Decision Reference:	<u>Not applicable</u>
Relevant Portfolio Area:	<u>Finance, Governance and Resources</u>		
Officer who made Decision:	<u>Corporate Director of Governance and Regulatory Services, Carlisle City Council, Civic Centre, Carlisle, CA3 8QG</u>		
Date Decision Made:	<u>25-Nov-16</u>		
Reports and Background Papers considered:	<u>Tender documents: CPU201603, CPU201606, CPU201607, CPU201609</u>		
Reasons for Decision:	<u>Complete timely reinstatement of the Council's assets.</u>		

Notice of Decisions taken by Officers of Carlisle City Council

Summary of Options rejected:	Across all projects, further tenders were invited, accepted and considered against the set scoring criteria. Rejection was based on not providing "best value" to the Council.
Interests declared:	None
Date published:	28-Nov-16
Urgent decision not subject to call in:	No
Consent of Chairman/ Deputy Chairman of Council to Urgency:	Not applicable
Deadline for call-in:	Not applicable
Implementation date if not called-in:	Not applicable
Relevant Overview and Scrutiny Panel:	Resources Overview and Scrutiny Panel

All public reports can be viewed in the Customer Contact Centre of the Civic Centre, Carlisle and on the Council's website www.carlisle.gov.uk. Other documents relating to the matter may be submitted to the decision maker. These, if available, may be obtained by contacting the named contact officer.

Officer Decisions

Below is a list of decisions taken by Officers which they have classed as significant, full details and supporting background documents can be viewed on the Council's website www.carlisle.gov.uk/CMIS/

Decision Ref No	Subject Title	Decision:	Reports and Background Papers considered:	Date Decision Taken	Decision Maker
OD.165/16	Provision of Mechanical and Electrical Maintenance at the Pools James Street Carlisle CA2 5AH	To award the contract for the provision of Mechanical and Electrical Maintenance at the Pools, James Street, Carlisle to Shaun Bell Electrical Limited	Not applicable	29-Nov-16	Corporate Director of Governance and Regulatory
OD.166/16	Licensing Decisions taken between 25 November 2016 and 2 December 2016	The Corporate Director of Governance and Regulatory Services has granted the attached licences or permissions under an express authorisation delegated to him and in accordance with the Council's policy requirements. (can be viewed on the Council website http://CMIS.carlisle.gov.uk/CMIS/CouncilDecisions/OfficerDecisions.aspx	Applications for various licences	02-Dec-16	Corporate Director of Governance and Regulatory Services

**TRIPARTITE MEETING BETWEEN CARLISLE CITY COUNCIL, COUNTY COUNCIL
LOCAL COMMITTEE FOR CARLISLE, AND CARLISLE PARISH COUNCILS**

MONDAY 24 OCTOBER 2016 AT 7.00 PM

PRESENT:

Carlisle City Council:

Councillor Glover (Chairman)
Councillor Dr Tickner
Councillor Mrs Bradley
Councillor Southward
Councillor Burns
Councillor McNulty
Councillors Mrs McKerrell
Councillor J Mallinson
Mr D Crossley
Mrs J Meek
Mr C Hardman

Cumbria County Council

Councillor C Weber
Mr T Thwaites

Parishes

Mrs M E McKenna	- Beaumont Parish Council
Councillor E Williamson	- Beaumont Parish Council
Councillor D Moorat	- Brampton Parish Council
Councillor J Stonebridge	- Burgh by Sands Parish Council
Councillor T Allison	- Cummersdale Parish Council
Councillor A Byers	- Dalston Parish Council
Councillor B Craig	- Dalston Parish Council
Councillor R Tinnion	- Hayton Parish Council
Ms S Kyle	- Hethersgill, Scaleby and Stanwix Rural Parish Councils
Councillor M Jack	- Kirklington Parish Council
Councillor M Fox	- Stanwix Rural Parish Council
Councillor B Earp	- Wetheral Parish Council
Councillor M Higginbotham	- Wetheral Parish Council
Councillor C Nicholson	- CPCA
Mrs C Rankin	- CALC

1. WELCOME AND INTRODUCTIONS

The Chairman welcomed all those present to the tripartite meeting.

2. APOLOGIES FOR ABSENCE

Apologies for absence were received from Councillors Ms Quilter and Miss Sherriff, the Town Clerk and Chief Executive (Carlisle City Council), Councillor Harper, Rockcliffe Parish Council, Councillor Auld, Dalston Parish Council and Councillor McIntosh, Cummersdale Parish Council.

3. NOTES OF PREVIOUS MEETING

The Notes of the Tripartite Meeting held on 22 March 2016 were received and agreed as a true record of the meeting.

4. PLANNING CHARTER – PLANNING WORKING AGREEMENT

Mr Hardman, Development Manager and Councillor Nicholson provided an update on the completion/launch of the City and Parishes Planning Charter.

Councillor Nicholson reported that the working agreement had been agreed and gave Parish Councils the right to speak at Development Control Site Visits which Parishes had been requesting for some time. He thanked Mr Hardman for all the work that he had carried out during the preparation of the Agreement and also Mrs Meek for her assistance in the matter.

Mr Hardman added that the Agreement had been adopted by the City Council's Executive on 1 August 2016 and a copy of the Agreement had been circulated to the meeting with the agenda. The City Council was working to the Agreement and treated Parish Councils as Statutory Consultees. The document would be kept under review and the Council would strive to continuously look for ways to improve the working relationship.

5. FLOOD / WINTER READY PLAN FOR CARLISLE

Mrs Meek, Corporate Director of Economic Development, gave a presentation setting out the details of the Carlisle Flood Response Plan 2016/17 / Carlisle Winter Readiness Plan 2016/17.

Mrs Meek set out the background to the Plan including the objective and the partners which had been involved then detailed each of the Sections which covered reducing the risk, recovery and repair work following Storm Desmond, preparation for flooding, responding to flooding and recovery from flooding.

She informed the meeting that all of the structural work and repairs had been undertaken and all gulleys had been inspected and, where appropriate, repaired. She added that sandbags would not be distributed widely but their use would be targeted only to the areas they may actually be of benefit. The sandbags would not be the traditional style but would be modern sandbags which expanded when wet.

Copies of the presentation were tabled at the meeting.

Councillor Byers highlighted an issue in her Ward which had required attention by the Environment Agency; she reported that it had been very difficult to engage with the Environment Agency to address the problem. She asked how the Flood Response Plan would reduce the risks of flooding.

Mrs Meek responded that the City Council worked with partners to try and address issues in Wards as quickly as possible and she had not been aware of the issue in the Dalston Ward. With regard to the reduction of risks she explained that no long term decisions had been taken yet. A Strategic Group would be established to address long term issues but the immediate issue had been plans for this winter.

Councillor Fox raised a number of concerns with regard to the Plan, he felt that Parishes had not been engaged in the production or communication of the Plan, that the Plan had taken too long to produce and felt that there was not enough joined up working between the City, County and Environment Agency or local communities. He asked if named contacts would be provided to areas at risk.

Mr Thwaites, Area Manager, agreed to pass on contact details for the Environment Agency and explained that initially not all groups wished to engage in establishing community emergency plans; although work had seemed to take some time it was now being progressed.

Councillor Allison commented that he had undertaken a survey of the river Caldew from Cummersdale to Dalston last year and repeated it recently, apart from the removal of one tree and some emergency repair work the river banks were in the same condition as they had been last year and the issues highlighted last year had not been addressed.

Councillor Nicholson asked if consideration had been given to equip all 4x4 vehicles which the City and County Councils owned so they could be used as wading vehicles and could respond immediately if there was a flood.

Mrs Meek responded that 4x4 vehicles were being purchased as part of the City Council's fleet renewal but was unsure if they had wading capabilities. She closed the presentation by explaining that the Plan would be launched in November. The Plan would be a working document and she encouraged Parish Councils to engage with the Council on flood response matters.

6. SERVICES FOR YOUNG PEOPLE

Councillor Burns, Chairman of the City Council's Community Overview and Scrutiny Panel and Councillor McNulty outlined the Panel's approach to reviewing services for young people.

Councillor Burns gave the background to the Panel's reasons for the review of services and introduced Councillor McNulty. He explained that the Panel sought the input of Parishes on the provision of services for young people in the rural areas.

Councillor McNulty gave a short presentation which showed some of the youth provision across the City. The presentation highlighted a number of providers such as Youth Clubs, Youth Zone, Scouts etc but did not include any provision by Churches or Village Halls. It also included a timetable of activities but did not have any rural activities included.

Councillor McNulty commented that the list of activities was not in an easy location for young people to access so many young people were not aware of the activities across the Carlisle District.

Councillor Burns asked for any input or ideas which the Panel could take forward and any key issues for young people, in particular those living in the rural areas.

During discussions the following issues / suggestions were raised for consideration by the Panel:

- Email all Parish Clerks / Village Halls to ask about the youth provision in their area;
- Suggest older children / young adults organise activities for themselves to gain new skills and experience;
- Some Parishes provide their own play schemes but it was very difficult to access funding to support activities;
- Social Media should be used as a central access point;
- Discuss the matter with Brampton Youth Club as they carry out a lot of outreach work;
- Transportation to activities was difficult for a large number of young people especially in the rural areas.

Councillor Glover commented that it was very useful to gain rural areas' perspective on youth provision and the challenges being faced. He suggested that a rural representative be included in the Task and Finish work that the Panel would undertake and urged any interested parish members to contact Councillors Burns.

7. REVIEW OF FUTURE TRIPARTITE MEETINGS

Councillor Glover reported that a review of the Tripartite Meetings had been requested due to the difficulty in identifying agenda items.

Mr Crossley, Deputy Chief Executive, reiterated the issues with setting the agendas, he reminded the meeting that successful debates had taken place when specific relevant issues had been raised. He suggested that future meetings should be issue led and only called when one of the three parties had a specific issue or matter that required input and debate.

Councillor Nicholson agreed that setting the agenda had been difficult and felt that this was a good opportunity to review the format of the meeting.

Councillor Fox suggested that a different form of communication be used between the three parties as he felt communication was not happening and agreed that an issue led agenda would be more productive.

Parish Councillors raised specific issues in their Wards that would benefit from a tripartite level meeting including speeding issues and devolution and it was agreed that smaller meetings which addressed specific issues could be beneficial.

Mr Thwaites added that the Tri-partite meetings were widely advertised within parishes and few items were forthcoming. He felt that until specific issues were addressed the meetings would not be productive as they could be.

It was agreed that the Chairmen would discuss options for the future of the tripartite meetings and report back for a formal decision.

8. CHAIRMAN'S COMMENTS

The Chairman thanked all those present for their attendance.

(The meeting ended at 8.04pm)

Report to Executive

Agenda
Item:

A.11

Meeting Date: 19 December 2016
Portfolio: Finance, Governance and Resources
Key Decision: No
Within Policy and Budget Framework YES
Public / Private Public

Title: 2nd QUARTER PERFORMANCE REPORT 2016/17
Report of: Policy and Communications Manager
Report Number: PC 26/16

Purpose / Summary:

This report contains the 2nd quarter performance against the current service standards and a summary of the Carlisle Plan actions 2015-18.

Details of the service standard are in the table in Section 1. The table illustrates the cumulative year to date figure, a month-by-month breakdown of performance and, where possible, an actual service standard baseline that has been established either locally or nationally.

The updates against the actions in the Carlisle Plan follow on from the service standard information in Section 2. As many of the key actions contained within the outgoing Carlisle Plan have been completed, actions and projects have recently been refreshed in the 2015-18 Carlisle Plan. Work is continuing on the future report content and the best way of presenting this information to future Executive meetings. The views of the Executive are welcomed as part of this process.

Recommendations:

1. Consider the performance of the City Council presented in the report with a view to seeking continuous improvement in how the Council delivers its priorities.
2. Consider future report content with a view to showing progress in delivering the Carlisle Plan and associated City Council performance.

Tracking

Executive:	19/12/16
Overview and Scrutiny:	Community Overview & Scrutiny 24/11/16 Environment and Economy Overview & Scrutiny 01/12/16 Resources Overview & Scrutiny 06/12/16
Council:	N/A

1. BACKGROUND

Service standards were introduced at the beginning of 2012/13. They provide a standard in service that our customers can expect from the City Council and a standard by which we can be held to account. The measures of the standard of services are based on timeliness, accuracy and quality of the service we provide in areas that have a high impact on our customers.

Regarding the information on the Carlisle Plan, the intention is to give the Executive a brief overview of the current position without duplicating the more detailed reporting that takes place within the Overview and Scrutiny agendas and Portfolio Holder reports.

2. PROPOSALS

None

3. CONSULTATION

The report was reviewed by the Senior Management Team on 8 November 2016 and considered by the Overview and Scrutiny Panels on the following dates:

Community Overview & Scrutiny 24/11/16

Environment and Economy Overview & Scrutiny 01/12/16

Resources Overview & Scrutiny 06/12/16

4. CONCLUSION AND REASONS FOR RECOMMENDATIONS

The Executive are asked to comment on the 2nd Quarter Performance Report.

5. CONTRIBUTION TO THE CARLISLE PLAN PRIORITIES

Detail in the report

Contact Officer: Steven O’Keeffe

Ext: 7258

Appendices None
attached to report:

Note: in compliance with section 100d of the Local Government (Access to Information) Act 1985 the report has been prepared in part from the following papers:

- None

CORPORATE IMPLICATIONS/RISKS:

Chief Executive’s – Responsible for monitoring customer satisfaction and financial management.

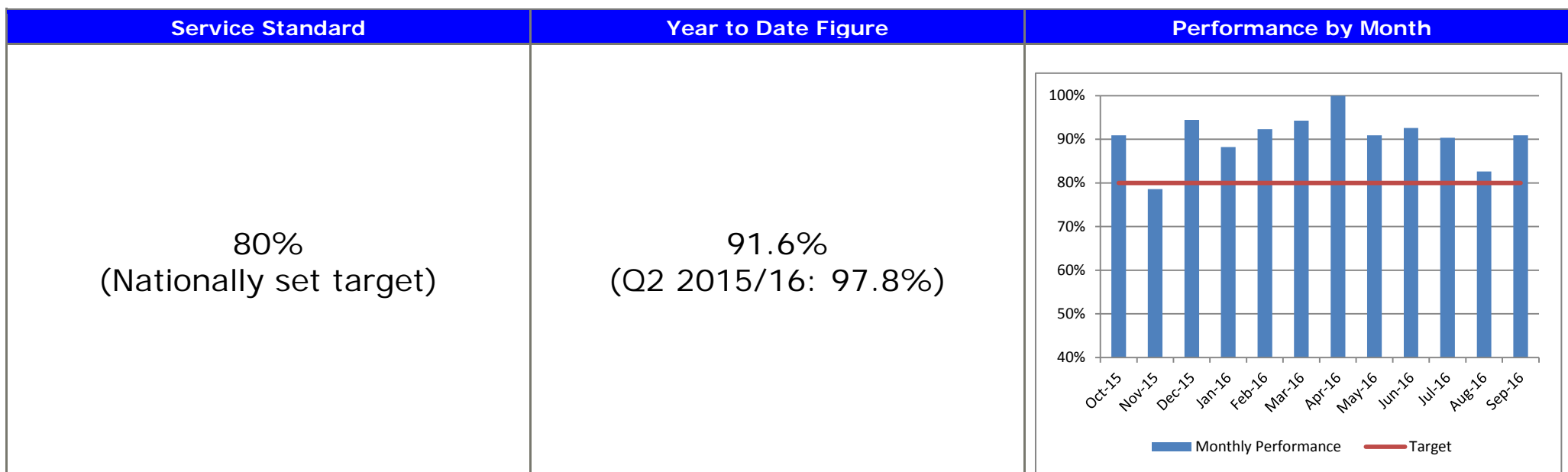
Deputy Chief Executive’s – Responsible for monitoring and reporting on service standards, progress in delivering the Carlisle Plan, and for managing high level projects and team service standards on a day-to-day basis.

Economic Development – Responsible for managing high level projects and team level service standards on a day-to-day basis.

Governance – Responsible for corporate governance and managing team level service standards on a day-to-day basis.

SECTION 1: 2016/17 SERVICE STANDARDS

Service Standard: Percentage of Household Planning Applications processed within eight weeks



76 household planning applications were processed during Quarter 2 compared with 71 for the same period last year.

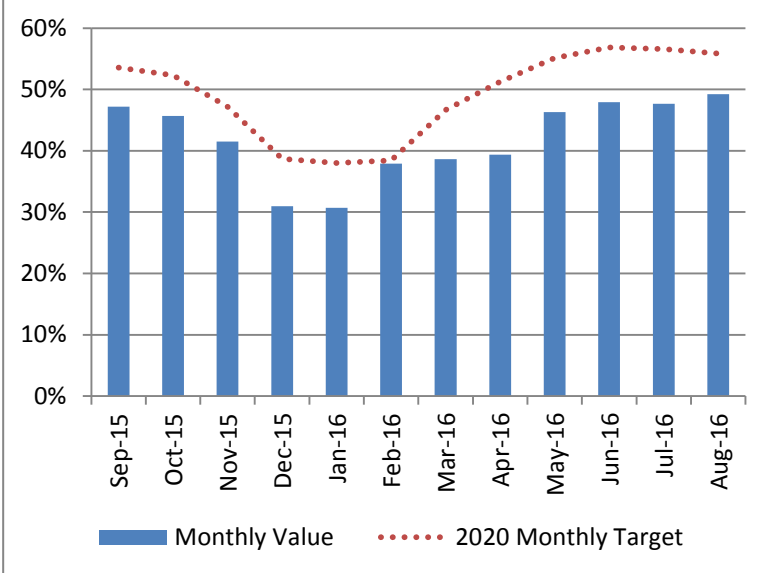
Service Standard: Number of missed waste or recycling collections

Service Standard	Year to Date Figure	Performance by Month																										
40 missed collections per 100,000 (Industry standard)	Average of 40 misses per 100,000 collections per month (Q2 2015/16: 53)	<table><thead><tr><th>Month</th><th>Missed Collections per 100,000</th></tr></thead><tbody><tr><td>Oct-15</td><td>38</td></tr><tr><td>Nov-15</td><td>33</td></tr><tr><td>Dec-15</td><td>26</td></tr><tr><td>Jan-16</td><td>73</td></tr><tr><td>Feb-16</td><td>54</td></tr><tr><td>Mar-16</td><td>45</td></tr><tr><td>Apr-16</td><td>39</td></tr><tr><td>May-16</td><td>45</td></tr><tr><td>Jun-16</td><td>43</td></tr><tr><td>Jul-16</td><td>34</td></tr><tr><td>Aug-16</td><td>47</td></tr><tr><td>Sep-16</td><td>34</td></tr></tbody></table>	Month	Missed Collections per 100,000	Oct-15	38	Nov-15	33	Dec-15	26	Jan-16	73	Feb-16	54	Mar-16	45	Apr-16	39	May-16	45	Jun-16	43	Jul-16	34	Aug-16	47	Sep-16	34
Month	Missed Collections per 100,000																											
Oct-15	38																											
Nov-15	33																											
Dec-15	26																											
Jan-16	73																											
Feb-16	54																											
Mar-16	45																											
Apr-16	39																											
May-16	45																											
Jun-16	43																											
Jul-16	34																											
Aug-16	47																											
Sep-16	34																											

The council was scheduled to make 1,237,791 collections during this quarter. The number of failures per 100,000 for the year to date is 40 which equates to approx. 1,000 (0.08%) actual missed collections in the quarter.

The high figure from the same period last year was caused mainly by the cancelled collections and subsequent delays in catching up following the major police incident.

Service Standard: Percentage of household waste sent for recycling (Collected and City Council bring sites)

Service Standard	Year to Date Figure	Performance by Month																																							
Nationally set target of 50% by 2020.	46.2% [only 5 months] (Qtr 2 2015/16: 47.5%)	 <table border="1"> <caption>Monthly Recycling Performance Data</caption> <thead> <tr> <th>Month</th> <th>Monthly Value (%)</th> <th>2020 Monthly Target (%)</th> </tr> </thead> <tbody> <tr><td>Sep-15</td><td>47.5</td><td>50</td></tr> <tr><td>Oct-15</td><td>45.5</td><td>50</td></tr> <tr><td>Nov-15</td><td>41.5</td><td>50</td></tr> <tr><td>Dec-15</td><td>31.0</td><td>50</td></tr> <tr><td>Jan-16</td><td>30.5</td><td>50</td></tr> <tr><td>Feb-16</td><td>38.0</td><td>50</td></tr> <tr><td>Mar-16</td><td>38.5</td><td>50</td></tr> <tr><td>Apr-16</td><td>39.0</td><td>50</td></tr> <tr><td>May-16</td><td>46.0</td><td>50</td></tr> <tr><td>Jun-16</td><td>48.0</td><td>50</td></tr> <tr><td>Jul-16</td><td>47.5</td><td>50</td></tr> <tr><td>Aug-16</td><td>49.0</td><td>50</td></tr> </tbody> </table>	Month	Monthly Value (%)	2020 Monthly Target (%)	Sep-15	47.5	50	Oct-15	45.5	50	Nov-15	41.5	50	Dec-15	31.0	50	Jan-16	30.5	50	Feb-16	38.0	50	Mar-16	38.5	50	Apr-16	39.0	50	May-16	46.0	50	Jun-16	48.0	50	Jul-16	47.5	50	Aug-16	49.0	50
Month	Monthly Value (%)	2020 Monthly Target (%)																																							
Sep-15	47.5	50																																							
Oct-15	45.5	50																																							
Nov-15	41.5	50																																							
Dec-15	31.0	50																																							
Jan-16	30.5	50																																							
Feb-16	38.0	50																																							
Mar-16	38.5	50																																							
Apr-16	39.0	50																																							
May-16	46.0	50																																							
Jun-16	48.0	50																																							
Jul-16	47.5	50																																							
Aug-16	49.0	50																																							

Up until last month new builds didn't receive a kerbside collection of recycling therefore some residents were placing garden waste and dry recycling into their bins. From September 2016 these properties now receive a kerbside collection of green box and garden waste. Plastic and card will be added in May 2017 along with rural properties who don't receive a kerbside collection where practically possible.

Service Standard: Average number of days to process new benefits claims

Service Standard	Year to Date Figure	Performance by Month																										
Average number of new claims should be processed within 22 days	18.95 days (Q1 2015/16 – 17.9 days)	<table><tr><th>Month</th><th>Monthly Performance (Days)</th></tr><tr><td>Oct-15</td><td>13</td></tr><tr><td>Nov-15</td><td>15</td></tr><tr><td>Dec-15</td><td>19</td></tr><tr><td>Jan-16</td><td>24</td></tr><tr><td>Feb-16</td><td>19</td></tr><tr><td>Mar-16</td><td>20</td></tr><tr><td>Apr-16</td><td>17</td></tr><tr><td>May-16</td><td>19</td></tr><tr><td>Jun-16</td><td>20</td></tr><tr><td>Jul-16</td><td>17</td></tr><tr><td>Aug-16</td><td>19</td></tr><tr><td>Sep-16</td><td>20</td></tr></table>	Month	Monthly Performance (Days)	Oct-15	13	Nov-15	15	Dec-15	19	Jan-16	24	Feb-16	19	Mar-16	20	Apr-16	17	May-16	19	Jun-16	20	Jul-16	17	Aug-16	19	Sep-16	20
Month	Monthly Performance (Days)																											
Oct-15	13																											
Nov-15	15																											
Dec-15	19																											
Jan-16	24																											
Feb-16	19																											
Mar-16	20																											
Apr-16	17																											
May-16	19																											
Jun-16	20																											
Jul-16	17																											
Aug-16	19																											
Sep-16	20																											

Service Standard: Percentage of Corporate Complaints dealt with within timescale

Service Standard	Year to Date Figure	Total Number of CCs per Directorate
A full response issued to the customer within 15 days of receipt at each stage.	100% (Q2 2015/16 – 75%)	Deputy Chief Exec's Team (including Local Environment) – 9 Governance – 0 Economic Development – 3 Resources – 2 Chief Exec's Team – 1

There were 15 corporate complaints received during the first quarter compared with 19 in the same period last year.

Section 2: Carlisle Plan 2015-18 Summary

PRIORITY – Support business growth and skills development to improve opportunities and economic prospects for the people of Carlisle

Local Plan

Major projects under this priority include the development of the Local Plan 2015-2030 which is an essential building block for future development, whether housing or business. The Local Plan is nearing completion following an independent examination and was formally adopted by Council for adoption on the 8th November. The Local Plan is a key catalyst for growth; however work does not stop with its completion. Further activity to support growth and the economy will continue with:

- Carlisle South Master Plan
- Community Infrastructure Levy
- Supplementary Planning Documents

Carlisle South

An expression of interest to include Carlisle South, a broad location identified through the Local Plan which could accommodate up to 10,000 new homes, within the Governments Locally Led Garden Village programme was submitted in July. Inclusion in the programme affords access to external support and expertise and priority access to funding.

Durranhill

The major improvement works to Durranhill industrial estate are progressing well. The new access road, Locke Road, is now open and works to widen the original estate road are well underway and nearing completion. Increased occupier interest has been noted on the estate and several long term voids have recently been occupied.

Enterprise Zone

Following the successful bid and the Chancellor's announcement in November 2015, the Carlisle Enterprise Zone was formally established on 1 April 2016. Having an Enterprise Zone shows that Carlisle is business friendly and up for growth. The aim is to attract new business to the area with a range of discounts and 100% enhanced capital allowance for plant and machinery. The Carlisle Enterprise Zone at Kingmoor

Park offers 122ha ready for development and will potentially generate 2,590 jobs over its lifetime. There has been an increase in interest and enquiries in Kingmoor Park since the EZ was announced.

Public Realm - City Centre Orientation

Work continues to progress in relation to the system of information hubs and finger posts proposed for the City Centre. Cumbria County Council consent had been secured, subject to issuing of relevant permits, and the completion of a consultation exercise. Technical design work is complete, copy has been finalised and we are working with the signage manufacturer to agree an installation programme.

Carlisle Economic Partnership

The City Council continues to work closely with public and private sector partners through the Carlisle Economic Partnership (CEP). The two key themes identified in their action plan are skills and infrastructure.

The focus for the CEP over the next 12 months will be to further develop an Economic Action Plan and a Skills Strategy for Carlisle which fits with the Cumbria Strategy and supports key economic opportunities for growth such as the Enterprise Zone and Carlisle Airport.

Local Enterprise Partnership

Engagement with Cumbria Local Enterprise Partnership (Cumbria LEP) and Centre of Nuclear Excellence (CoNE) continues to be vital in supporting the CEP key priorities for Carlisle of Infrastructure, Skills and Housing to help deliver growth.

The LEP submitted its bid and shortlist of projects for Local Growth Fund 3 funding to the Government in July 2016. This programme includes support to redevelop the Citadel and improve the train station in Carlisle. An announcement on funding is expected in or around the timing of the Government's Autumn Statement.

PRIORITY - Further develop sports, arts and cultural facilities to support the health and wellbeing of our residents.

Healthy City

The Steering Group has developed over the past few months to include representation from Cumbria Partnership NHS Foundation Trust, Children's Services, Adult Services and the County Council Chair of Local Area Committee.

The Carlisle Partnership

The Carlisle Partnership sees organisations from across the public, private, voluntary and community sectors, supporting and developing projects and agendas across the city.

The Carlisle Partnership AGM was held at Harraby Community Centre at the end of September. The agenda focussed on improving place vibrancy and vitality and the benefits of Health in All Policies (HiAP) approach to policy development and finished with a discussion around the key priority areas for the Partnership and some of the issues, challenges and opportunities within the Carlisle district. The event attracted a record number of attendees and received excellent feedback from partners.

Sports Development

The Community Sports Activation Fund project was a success over its 3 year period. In total we engaged 6919 individuals in activity through the project and this was in line with the targets we set. As part of the scheme we delivered initiatives that targeted minority and hard to reach groups. There is nothing outstanding from the project and Sport England are happy with our reporting. Going forward, we are working to understand the new Sport England Strategy to tackle inactivity in the area and we will be working with local partners to ensure we can support future activities.

Harraby Campus Development - Certificate of practical completion has been supplied by Cumbria County Council. The leasehold has been agreed directly between Cumbria County Council and Community Associations.

Arts Development

Following the floods in December 2015 the Old Fire Station has now fully reopened and has a very busy programme of events for the Autumn/Winter period.

The Council is working with partners at Tullie House Museum and Art Gallery and the University of Cumbria to establish a new 'cultural consortium.' This group is still at an embryonic stage but will look to focus on raising the awareness and engagement in cultural opportunities across Carlisle.

The Council is also taking part in the LGA Cultural Peer Challenge Programme. Following an application process in July the Council has been accepted for this new challenge programme. The on-site work will take place in February 2017 and will seek to assist the Council (and partners) in developing the local cultural offer and impact.

PRIORITY - Continue to improve the quality of our local environment and green spaces so that everyone can enjoy living, working in and visiting Carlisle.

Rethinking Waste

Work continues on the development of the new rounds and developing options to shape the new service. Recycling of glass, paper and cans is currently collected by four vehicles operated by FCC Ltd. This contract ends on 28 February 2017 and will return to City Council operation from 01 March 2017. From May 2017, the rounds will be merged to create new recycling rounds using a single collection vehicle for glass, cans, paper, plastic and card. This should promote recycling through:

- increased participation - residents who don't already receive a collection will receive the full recycling service
- collection using a single split-back vehicle that should reduce litter / spillages as crews will be tipping into the back of the vehicle rather than sorting into separate compartments.
- simplifying the collection calendars

Promoting Recycling

Neighbourhood Services' Technical Officers continue to promote recycling, particularly in gull sack areas where there is evidence of reduced levels of recycling and increased incidence of side-waste.

As the new changes are introduced, officers will be visible on collection days monitoring levels of participation in recycling and compliance to service standards. Advice as necessary will be given to residents to reduce waste and encourage recycling.

Street Cleaning and Enforcement

Any additional bags (side-waste) not inside the gull sack or bin are currently 'stickered' to advise the resident to take the bags back in until next collection or take them to their nearest Household Waste and Recycling Centre. Properties where bags are not removed within 48 hours are sent a letter offering advice on recycling but also reminding people of the service standards and risk that they could face a fine for littering or fly-tipping. When evidence is found in fly-tipped bags this is

followed through with the resident being issued with a fixed penalty notice for littering.

PRIORITY - Address current and future housing needs to protect and improve residents' quality of life.

The City Council continues to work in partnership with local housing association partners and the Homes and Communities Agency to address housing need and support new developments. Current pipeline schemes include:-

- The Demonstration Project on the Council owned site at Beverley Rise, Harraby: this scheme would deliver approximately 40 units for affordable rent, in partnership with Riverside and Carlisle College. Students from the College will benefit from practical onsite development training.
- Old Brewery Residences, Caldewgate – the Council has been working with Impact Housing Association to support their plans to bring redundant ex-student accommodation back into use to deliver a mix of approximately 35 apartments and townhouses for affordable rent. The design would incorporate flood resilience measures.

A new 38 apartment Extra Care scheme – Bramble Court – is due to open in Brampton in November, providing independent accommodation for older residents with care and support needs. All of the properties are for social rent and 24/7 onsite care will be provided by Imagine Independence. The City Council has worked closely with the scheme provider, Impact Housing Association, Adult Social Care and Brampton and Beyond Community Trust to support the delivery of the scheme, as extra care housing is a crucial priority, due to the changing demographics around the ageing population.

PRIORITY – Promote Carlisle regionally, nationally and internationally as a place with much to offer - full of opportunities and potential

This is best demonstrated by the many projects and initiatives worked on across the district as part of the Carlisle Partnership and Carlisle Ambassadors.

Carlisle Ambassadors can be defined as, ‘A proactive community of passionate individuals, businesses and organisations who participate in projects to raise the profile of Carlisle and make it a better place to live, work and visit.’ The Ambassadors have influence and directly ‘give a voice’ to Carlisle locally, within Cumbria and further afield.’

The last meeting was held on 22 September at Eden Golf Club with 14 businesses showcasing their innovations and was very well attended. Meetings continue to be held quarterly and are regularly attended by over 220 business people. To date 134 organisations have become members; keen to collaborate on projects and support each other to help grow and improve the Carlisle offer. The next meeting of Carlisle Ambassadors is to be held on Thursday 17 November at the Hallmark Hotel.

As well as some of the cross-over work carried out with the Carlisle Partnership and the Ambassadors, the City Council continues to work closely with partners through the Carlisle Economic Partnership (CEP) (as mentioned above), the action plan from which sets out actions to address skills gaps by identifying skills needs for growth and encouraging provision which meets those needs.

Engagement with Cumbria Local Enterprise Partnership (Cumbria LEP) and Centre of Nuclear Excellence (CoNE) continues to be vital in supporting the CEP key priorities for Carlisle of Infrastructure, Skills and Housing to help deliver growth.

Report to Executive

Agenda
Item

A.12

Meeting Date: 19th December 2016
Portfolio: Finance, Governance and Resources
Key Decision: No
Within Policy and Budget Framework: Yes
Public / Private: Public - Part A
Title: **LAND AND PROPERTY TRANSACTION – Downagate Community Centre, lease surrender and regrant**

Report of: **CORPORATE DIRECTOR OF GOVERNANCE & REGULATORY SERVICES**

Report Number: **GD.69/16**

Purpose/Summary:

This Report seeks Executive approval to the surrender and regrant of a lease to the Trustees of the Downagate Community Centre, on the terms provisionally agreed, to allow the Centre to apply for grant funding to undertake repairs incorporating flood resilience measures to the building.

Recommendation:

That Executive agrees to a surrender and regrant of a lease of Downagate Community Centre to the Trustees of the Downagate Community Association on the principally agreed terms as outlined within the report.

Tracking

Executive:	19th December 2016
Overview and Scrutiny:	n/a
Council:	n/a

1. BACKGROUND

- 1.1 Downagate Community Centre Association has occupied the site of the Downagate Community Centre by way of a lease since 1978. The current lease is for a term of 30 years with effect from 22nd March 2002. The unexpired term therefore is circa. 15 years. The lease area is showed edged black on the attached plan.
- 1.2 The land on which the Community Centre sits is classed as Recreational Open Space within the current Local Plan and falls within Flood Zone 3. As such any proposals to develop the site further would be resisted by the Planners.
- 1.3 The Community Centre was badly damaged by the floods in December 2015, and Community Centre Association has drawn up plans, which have now gained planning consent, to repair the damaged facility, which also incorporate flood resilience measures.
- 1.4 The Community Centre Association has been in discussions with the Football Association (FA) regarding the availability of grant funding to bear the cost of the proposed repair and flood resilience works.

2. PROPOSALS

- 2.1 The FA have confirmed that the Community Centre Association need to have a lease in place for a minimum unexpired term of 30 years to support any grant funding application.
- 2.2 The Community Centre Association has approached the City Council with a request to surrender their existing lease and take a new lease for a term of 30 years.
- 2.3 It is proposed to accept a surrender of the current lease agreement and grant a lease to the current Trustees of the Community Centre Association for a new term of 30 years, at a Peppercorn Rent, on the same terms as the passing lease to allow the funding application to be submitted.
- 2.4 By virtue Section 123 of the Local Government Act 1972, the Council is required to obtain best value in all land and property transactions. It is considered that, due to the nature of the facility and the community offer it provides, coupled with the characteristics and lack of development potential of the land on which the facility sits, the granting of a lease for a further term of 30 years to the Trustees of the Downagate Community Centre, represents best value to the Council.

3. CONSULTATION

- 3.1 Ward Councillors have been advised of the proposals.
- 3.2 The Contracts & Community Services Manager has been involved in the discussions between the parties and fully supports the proposals.

4. CONCLUSION AND REASONS FOR RECOMMENDATIONS

- 4.1 Agreement to the surrender and regrant of a longer term lease to will allow the Community Centre Association to put forward an application for funding to pay for the building to be repaired with flood resilience measures built in. This protects the asset into the future and supports the community function the Centre provides.

5. CONTRIBUTION TO THE CARLISLE PLAN PRIORITIES

- 5.1 The proposals support the continued provision of valuable community services.

Contact Officer: Barbara Vernon

Ext: 7422

Appendices Appendix A - Plan identifying the location and extent of the
attached to report: property.

Note: in compliance with section 100d of the Local Government (Access to Information) Act 1985 the report has been prepared in part from the following papers: None

CORPORATE IMPLICATIONS/RISKS:

Chief Executive's – None

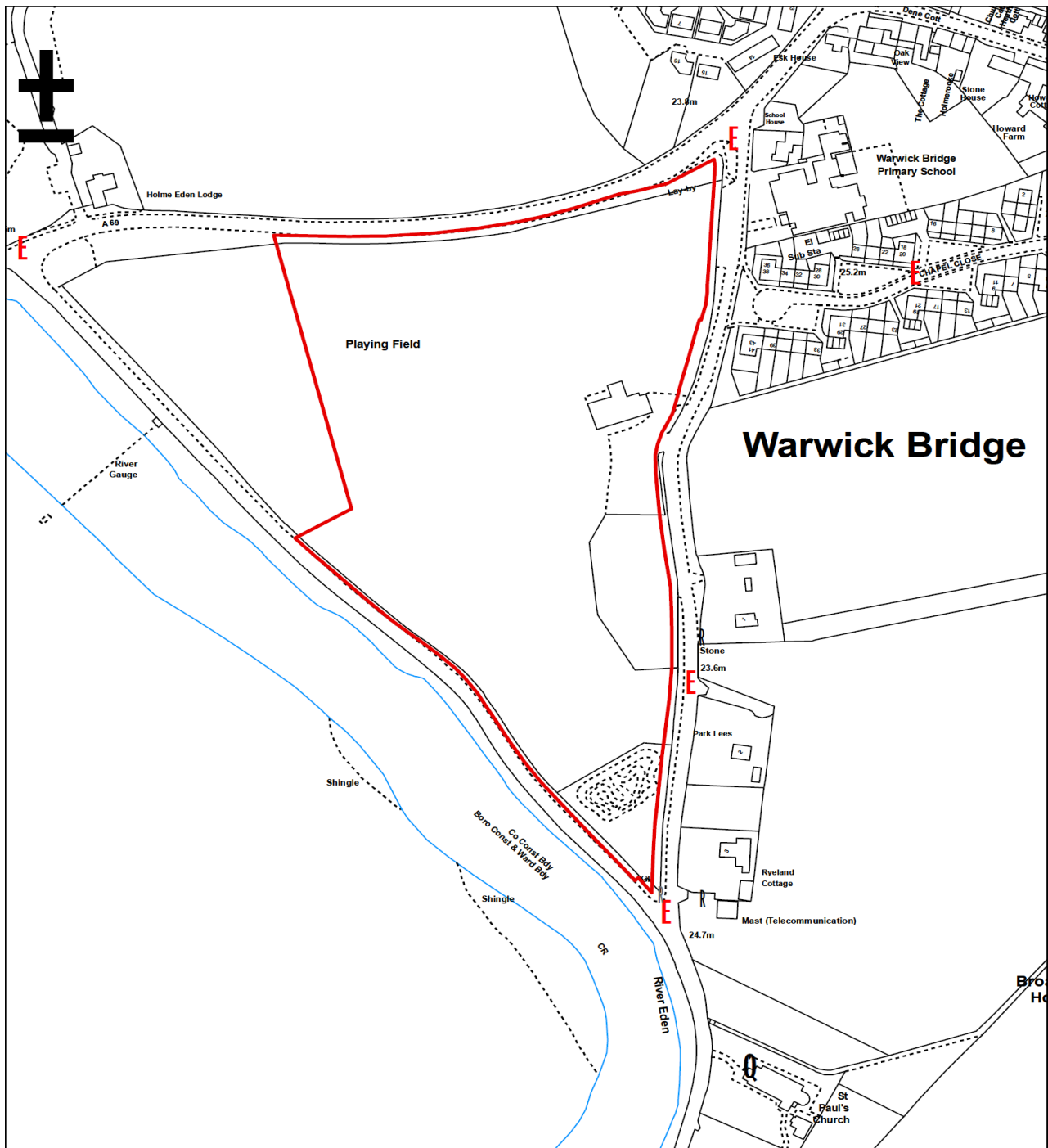
Deputy Chief Executive – None

Economic Development – None

Governance & Regulatory – The Council is able to grant a lease in the manner described and, as such a grant is deemed to represent 'best consideration' the Council would be in compliance with its obligations under section 123 of the Local Government Act 1972.

Resources – The proposal to surrender and re-grant a lease to Downagete Community Centre Association will have no financial impact as the current and proposed leases are at a peppercorn rental. The new lease will allow the centre to apply for external funding for improvements and flood resilience measures.

APPENDIX A



Downagate Community, Centre Warwick Bridge, Carlisle

Scale: 1:2,500 Date: 18/10/2016

© Crown Copyright. All rights reserved
Carlisle City Council LA 0100024459. 2005.



**Civic Centre
Rickergate
Carlisle
CA3 8QG**

EXCERPT FROM THE MINUTES OF THE COMMUNITY OVERVIEW AND SCRUTINY PANEL HELD ON 24 NOVEMBER 2016

COSP.82/16 OVERVIEW REPORT AND WORK PROGRAMME

The Policy and Performance Manager submitted report OS.23/16 which provided an overview of matters relating to the work of the Community Overview and Scrutiny Panel and included the latest version of the work programme and Key Decisions of the Executive which related to the Panel.

The Policy and Performance Manager reported that the Notice of Executive Key Decisions were published on 21 October 2016 and the following items fell within the remit of the Panel:

KD.20/16 – Tullie House Business Plan

KD.21/16 – Budget Process 2017/18

Both items had been included on the Panel's agenda.

Members did not raise any questions or comments on the items contained within the Notice of Executive Key Decisions.

The Panel's Work Programme for the current year had been circulated and Members were asked to consider the framework for the meeting on 12 January 2017. The following items had been included in the Work Programme for the next meeting of the Panel:

- Riverside Annual Report
- Task and Finish Group on the relationship with Housing Associations
- Performance reporting options
-

It was agreed that a report of the Old Fire Station be added to the Work Programme for April 2017.

It was reported that the Scrutiny Chairs had recently discussed the possibility of changing the current panel remit structure, to better align with the Council priorities, current challenges faced by the Council and to address current Scrutiny best practice. They resolved that the proposals for three new Overview and Scrutiny Panels be considered by each of the Political Groups with feedback being submitted to the Scrutiny Chairs Group. The Chair of Environment and Economy Overview & Scrutiny Panel had requested that the views of this Panel were sought.

The Environment and Economy Panel had supported the decision of the Scrutiny Chairs Group and agreed that three new Overview and Scrutiny Panels be established, as set out in the Overview and Scrutiny Report, with further work on the remits of each new Panel. The

Scrutiny Chairs Group had met on 11 November and agreed to receive feedback from all three Panels before any decision for change was taken.

Member's attention was drawn to Appendix 2 of the report which contained details of the proposals and rationale for the changes.

The Panel discussed the options set out in Appendix 2 and a proposal that an additional change to the Constitution be requested with regard to the Chairman of Scrutiny Panels. Some Members requested that the Constitution revert back to setting that the Chairman of the Panel be made up of 1 Labour, 1 Conservative and 1 from the next largest Political Group. The Panel voted on the proposal and agreed that the request should be referred to the Executive.

RESOLVED – 1) That the Overview Report incorporating the Work programme and Key decision items relevant to this Panel (OS.23/16) be noted.

2) That the following items be included on the agenda for next meeting on 12 January 2016:

- Riverside Annual Report
- Task and Finish Group on the relationship with Housing Associations
- Performance reporting options

3) That an update on the Old Fire Station be added to the Work Programme for April 2017;

4) That the Community Overview and Scrutiny Panel supported the decision of the Scrutiny Chairs Group and agree that three new Overview and Scrutiny Panels be established, as set out in appendix 2 of report OS.23/16;

5) That the Executive consider a change to the City Council's Constitution which set out that the three Scrutiny Panels be Chaired by 1 Labour Group Member, 1 Conservative Group Member and 1 Member from the next largest Political Group.