

COUNCIL

SUMMONS

To the Mayor and Members of Carlisle City Council

You are summoned to attend the Meeting of Carlisle City Council which will be held on **Tuesday, 09 September 2014 at 18:45**, in the **Council Chamber, Civic Centre, Carlisle, CA3 8QG**



Director of Governance

AGENDA

1. The Mayor will invite the Chaplain to say prayers.
2. The Town Clerk and Chief Executive will open the meeting by calling the roll.

3. **Minutes**

The Council will be asked to receive the Minutes of the meeting of the City Council held on 15 July 2014.

4. **Public and Press**

To determine whether any of the items of business within Part A of the Agenda should be dealt with when the public and press are excluded from the meeting.

To determine whether any of the items of business within Part B of the Agenda should be dealt with when the public and press are present.

5. 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.

6. Announcements

- (i) To receive any announcements from the Mayor
- (ii) To receive any announcements from the Leader of the Council
- (iii) To receive any announcements from Members of the Executive
- (iv) To receive any announcements from the Town Clerk and Chief Executive

7. Questions by Members of the Public

Pursuant to Procedure Rule 10.1, the Town Clerk and Chief Executive to report that no questions have been submitted on notice by members of the public.

8. Presentation of Petitions and Deputations

Pursuant to Procedure Rule 10.11, the Town Clerk and Chief Executive to report that no petitions or deputations have been submitted by members of the public.

9. Questions from Members of the Council

Pursuant to Procedure Rule 11.2, the Town Clerk and Chief Executive to report that no questions have been submitted on notice by Members of the Council.

10. Executive

(a) Minutes

The Council will be requested to receive the Minutes of the meetings of the Executive held on 21 July and 18 August 2014 and ask questions of the Leader and Portfolio Holders on those Minutes.

(b) Portfolio Holder Reports

The Council will be asked to receive reports from the following Portfolio Holders:

- | | |
|---|----------------|
| (i) <u>Leader's Portfolio</u> | 7 - 10 |
| (ii) <u>Finance, Governance and Resources*</u> | |
| (iii) <u>Environment and Transport</u> | 11 - 14 |
| (iv) <u>Economy, Enterprise and Housing</u> | 15 - 18 |
| (v) <u>Communities, Health and Wellbeing</u> | 19 - 22 |
| (vi) <u>Culture, Leisure and Young People</u> | 23 - 26 |
- and ask questions of the Leader and Portfolio Holders on those Reports.
(Copy Reports herewith / *to follow)

11. Overview and Scrutiny

The Council will be asked to receive the Minutes from the following meetings of the Overview and Scrutiny Panels and to ask questions of the Chairmen; and receive reports from the Chairmen of the Overview and Scrutiny Panels:

- | | |
|--|----------------|
| (i) <u>Community Overview and Scrutiny Panel</u> | 27 - 30 |
| (a) Minutes of the meetings held on 18 and 31 July 2014
(b) Chairman's Report | |
| (ii) <u>Resources Overview and Scrutiny Panel</u> | 31 - 32 |
| (a) Minutes of the meeting held on 7 August 2014
(b) Chairman's Report | |

(iii) Environment and Economy Overview and Scrutiny Panel 33 - 36

- (a) Minutes of the meetings held on 3 July and 14 August 2014
- (b) Chairman's Report

(Copy Reports herewith)

12. Regulatory Panel

To receive the Minutes of the meeting of the Regulatory Panel held on 30 July 2014.

13. Development Control Committee

To receive the Minutes of the meetings of the Development Control Committee held on 18, 19 and 20 June; and 23 and 25 July 2014.

14. Audit Committee

To receive the Minutes of the meeting of the Audit Committee held on 10 July 2014.

15. Appeals Panels

To receive the Minutes of the meetings of the Appeals Panels held on 21 and 22 July 2014.

16. Notice of Motion

Pursuant to Procedure Rule 12, the Town Clerk and Chief Executive to report that no motions have been submitted on notice by Members of the Council.

17. Proposals from the Executive in relation to the Council's Budget and Policy Framework

(i) Food Law Enforcement Service Plan 37 - 78

Pursuant to Minute EX.57/14 and EX.77/14, to consider a recommendation from the Executive that Council agree the key actions of the Environmental Health Service Plan with respect to Food Safety in accordance with the Council's Budget and Policy Framework.

(Copy Report LE.16/14 and Minute Extracts herewith)

(ii)	<u>Asset Review Business Plan - Refresh of Disposal Programme</u>	79 - 102
	Pursuant to Minute EX.66/14, to consider a recommendation from the Executive that the Asset Review Business Plan - Refresh of Disposal Programme be approved and adopted as part of the Council's Policy Framework. (Copy Report GD.44/14 and Minute Extracts herewith)	
(iii)	<u>Medium Term Financial Plan 2015/16 to 2019/20</u>	103 - 148
	Pursuant to Minute EX.67/14 and EX.79/14, to consider a recommendation from the Executive that the Medium Term Financial Plan 2015/16 to 2019/20 be referred to Council for approval. (Copy Report RD.18/14 and Minute Extracts herewith)	
(iv)	<u>Capital Strategy 2015/16 to 2019/20</u>	149 - 170
	Pursuant to Minute EX.68/14 and EX.80/14, to consider a recommendation from the Executive that the Capital Strategy 2015/16 to 2019/20 be referred to Council for approval. (Copy Report RD.19/14 and Minute Extracts herewith)	
(v)	<u>Asset Management Plan 2014 - 2019</u>	171 - 216
	Pursuant to Minute EX.69/14 and EX.81/14, to consider a recommendation from the Executive that the Asset Management Plan for 2014 - 2019 be referred to Council for adoption. (Copy Report GD.35/14 and Minute Extracts herewith)	
(vi)	<u>North Pennines AONB Management Plan</u>	217 - 284
	Pursuant to Minute EX.70/14 and EX.82/14, to consider a recommendation from the Executive that the North Pennines Area of Outstanding Natural Beauty Management Plan be adopted. (Copy Report ED.33/14 and Minute Extracts herewith)	
18.	<u>The Openness of Local Government Bodies Regulations 2014</u>	285 - 290
	To consider a report of the Director of Governance recommending that the Council amends its Standing Orders and Executive Procedure Rules so as to comply with The Openness of Local Government Bodies Regulations 2014. (Copy Report GD.38/14 herewith)	

19. Decisions Taken as a Matter of Urgency

**291 -
294**

Pursuant to Overview and Scrutiny Procedure Rule 15(i), the Director of Governance to report on decisions taken as urgent decisions and dealt with as a matter of urgency without the need for call-in.

It is a requirement under the above Procedure Rule 15(i) for decisions taken as a matter of urgency to be reported to the next available meeting of the City Council.
(Copy Report GD.40/14 herewith)

20. Communications

To receive and consider communications and to deal with such other business as may be brought forward by the Mayor as a matter of urgency, in accordance with Procedure Rule 2.1(xiv) to pass such resolution or resolutions thereon as may be considered expedient or desirable.

PART 'B'

To be considered in private

- NIL -

Meeting Date: 9th September

Public/Private*: Public

Title: **Leaders Portfolio Holder's Report –
Councillor Colin Glover**

Local Economic Partnership – Update

The Government announced the result of the Local Growth Fund Bids on the 7th July. Cumbria LEP put 10 projects forward, 2 of which are in Carlisle. Both projects in Carlisle were successful in obtaining funding. The City Council is leading on the Durrhill project which will reinvigorate the estate through a package of measures including site infrastructure which will unlock development land, promoting economic growth and deliver jobs.

The LEP Board are now looking at future opportunities for funding from the Growth Deal initiative in particular projects relating to nuclear, logistics and urban development.

The Cumbria Employment and Skills Commission are preparing a Skills Plan for the LEP Board. This work will help the detail of the European Social Infrastructure Fund (ESIF).

Federation of Small Businesses

Councillor Bradley, myself and the Director of Economic Development recently met the Federation of Small Businesses to discuss a range of issues, in particular Small Business Saturday and how the Council can support small businesses. They were particularly interested in the Carlisle Story and the Ambassadors Group. An article will appear in the next edition of their newsletter 'The Voice'.

Carlisle Partnership

The Carlisle Partnership held its annual Partnership Forum / AGM. The focus this year was to showcase best practice that has taken place over the past year and consider the digital agenda. The event was fully booked with a waiting list, and very well attended attracting over 75 participants from a range of organisations including public, private and voluntary sectors. A huge thanks go to all of our partners for their continued support in driving key projects forward and tackling priority issues. A Carlisle Partnership newsletter was produced which provides a flavour of work that has been taking place.

The event also gave the opportunity to launch new concepts and projects, such as the Food Carlisle work (supported by a locally sourced and produced lunch from the Carlisle area) and projects such as the Carlisle Food Charter, Fair meals direct, community growing and skilful food work. It also presents the opportunity to celebrate success and the achievements of Healthy City Designation (Carlisle were the first to achieve this in the UK - presented by Dr Jane Rossini – Centre Director for Public Health England) and Home life Carlisle who recently were shortlisted for the National HIA Awards in the 'Integration Champion' category and achieved highly commended.

Upcoming Events

A full list of upcoming events is available in the Events Guide.

Borderlines - Carlisle Festival of Reading and Writing

The literary event has been supported by Carlisle City Council and will take place at various venues between Friday 5 and Sunday 7 September. It has been organised by Bookends, Cumbria Library Service and Tullie House Museum & Art Gallery, in association with Cumbria Life.

Fireshow Fun Day

A Fun Day will be held on Saturday, 1 November, between 2pm and 6pm in Carlisle city centre. It will be part of the build up to the Carlisle City Council Fireshow.

The family-friendly fun will include FREE activities, including street entertainment and face painting. There will also be music on the bandstand, seasonal tasty treats and a Fireshow photo booth in the Tourist Information Centre.

Bitts Park Fireshow

This year's Fireshow will be held on Saturday, 1 November in Bitts Park, Carlisle. Pre-entertainment will start at 6.30pm and the bonfire lit at 7pm. The whole event will last around an hour. Admission is free, although there will be a collection for the Mayor's Charity Fund and Rotary Club Carlisle (South). Visitors are asked to give generously, as local charities benefit. This year's Fireshow will bring the city's history to life with a sparkling tale themed on 'The Carlisle Story'. Around 35,000 people are expected to attend the City Council event, organised in conjunction with She's Gott it!

Report to:
Council

Agenda
Item

10(b)(iii)

Meeting Date: 9 September 2014

Public/Private*: Public

Title: **Environment & Transport Portfolio Holder's Report –
Councillor Elsie Martlew**

War Memorials Project – This work is now complete. 9 memorials in the City Council's care have been restored and assistance given to Parish Councils and Churches to restore a further 20 community memorials. This assistance ranged from arranging contractors and paying for repairs and cleaning work to providing materials for local volunteers to do cleaning themselves. The project has received a lot of positive feedback from the public. It has been extensively reported in the media, both press and TV. Reporting has been very positive and the City Council has received much praise for its commitment to marking the W1 100 year anniversary.

World War 1 Commemoration – Rickerby Park Cenotaph - The evening of Monday, 4th August saw a moving and respectful commemoration event take place at the Cumberland and Westmorland county cenotaph in Rickerby Park. The monument had been cleaned and re-landscaped in preparation for the 100th anniversary of the outbreak of WW1 and it provided a magnificent backdrop for the ceremony, which was attended by about 350 people.

GREEN SPACES – The Dale End Field play area replacement project is now complete and the local children have been enjoying the fantastic new swings, slides and roundabouts that have been installed. The new play area, which was highlighted as a priority site in the Play Area Review, was jointly funded through Section 106 money from the redevelopment of Cavaghan & Gray's site and with a grant from Cumbria Waste Management (Landfill Tax).

The new 'green gym' equipment, complete with safety surfacing, is now in place on the Bitts Park riverside trail. The old, wooden frames have been replaced in stainless steel to give years of use by the large number of fitness enthusiasts that use the equipment.

At Hammonds Pond the multi-use games area (MUGA) has been refurbished and repainted. Carlisle Youth Football League now require mid-age group teams to have access to changing facilities on-site, this means that sites such as Clark's Field (Belah) and Willowholme (Castle) are no longer suitable for youth football, the Carlisle Youth Football League are working with the City Council and Cumberland FA to investigate whether Portakabin-type buildings may be a solution at these grounds. A new three-quarter size football pitch has been installed at Hammonds Pond where changing facilities are available.

Staying at Hammonds Pond, a preferred bidder has been selected for the combined catering and watersports franchise. The association with the Can You Experience Company, who have wide experience in the business, promises to bring many exciting new activities to the park including better boating facilities, mini golf etc.

Garden of Memories – Bitts Park

A new garden has been created at Bitts Park by volunteers from the Eden Valley Hospice in partnership with Green Spaces' grounds team. The garden, located in the extension behind the children's play area, is a quiet place for people to come and remember friends or family who spent their final days at the hospice. Regular sessions are held where the volunteers carry out maintenance and weeding and donations from friends and families are used to pay for new plants. The project has already been very well received by bereaved families and friends.

CITY ENGINEERS

Future of Parking Enforcement – The County Council have written seeking to terminate the agreement we have with them for carrying out on-street parking enforcement. This is now the subject of ongoing discussions between officers to establish an equitable way ahead.

Good wishes to Fred Walker on his retirement. The City Centre Manager, retired at the end of July after starting work 46 years earlier with the City Council. Fred has had a variety of jobs with the council from Painter, Contract Manager, Contract Monitoring Officer, Highways Inspector and last as City Centre Manager. Fred has co-ordinated all activities and events in the City Centre and maintained close contact with retailers in the area. Fred plans to spend quality time with his wife Carol, 3 grown up children and 7 grandchildren.

City Centre Historic Quarter - The new restricted zone has now been in operation since the beginning of July and generally is working well. Some drivers are still unsure of the restrictions which now apply despite extensive publicity. The most confusion appears to occur on a Sunday. In order to help clarify the situation, additional temporary signage will be provided in Abbey Street where most confusion appears to occur. Opportunities will be taken to further publicise the changes.

Highway Weed Control - The County Council have just advised us that their contractor has just started to carry out the second weed spray of City highways. Work started on the 11th August and is due to be completed by the end of August.

ENVIRONMENTAL HEALTH – The City Council continues its efforts to “Clean Up Carlisle.” The Enforcement and Education Team has been working with Schools and Community Groups to encourage good practices with respect to dog fouling and littering. The City Council is prepared to pursue enforcement action against those failing to comply with their responsibilities, either by issuing fixed penalty tickets or taking Court action. A Carlisle resident seen by our Officers not picking up after her dog had fouled was initially given the chance to pay a fixed penalty notice, she failed to pay the £80 notice and was successfully prosecuted for the offence, receiving a £200 fine. She then unsuccessfully appealed to the Crown Court and has ended up with a total fine in excess of £1,500. A great credit for the success in the case goes to the professionalism and evidence given by our Officers.

We all know that we should eat a healthy diet, drink sensibly, be physically active and not smoke. I believe we have to support people to make healthy choices and we have to ensure the healthy choice is the easy choice. I'm please to report that the City Council is to launch a Local Healthy Options Award. The Award will be given to take-aways, cafes, restaurants and staff canteens that offer and promoted healthy food options. Through its contacts with food businesses the City Council is best placed to deliver these awards which are being run in other local authorities and which can have both public health and economic benefits. We will start publicising and offering the Awards from the middle of September.

NEIGHBOURHOOD SERVICES

Gull sacks - Proper use of the gull sacks continue to be a challenge with a number of residents continuing to present black bags outside the gull sacks or using numerous carrier bags inside the gull sack. The team are working hard to resolve this issue by attending each collection, leaving cards advising how to use the bags properly, door knocking to encourage people to use the gull sacks correctly. We continue to work with the environmental enforcement team to help us with the enforcement side. There has been a transformation in the cleanliness of the areas where the gull sacks are being properly used

Street Cleaning - The deep cleansing of Botchergate is now complete along with all the lanes within the city centre. Some of the lanes that were initially a problem due to the continuous mess made by roosting pigeons have been reduced by the adjacent properties netting the roosting 'hot spots'. We have received a letter of thanks from Casanova but not from the main complainant Marks & Spencer.

More resources were diverted into the City Centre to clean and litter pick due to the increased foot fall over the school holidays to minimise the impact. The City Centre continues to be brought up to a grade 'A' by 8am each morning. Extra resources were provided to cover the Pageant to ensure the City Centre was kept clean during the week.

Meeting Date: 9th September 2014

Public/Private*: Public

Title: **Economy, Enterprise and Housing Portfolio Holder's Report –
Councillor Heather Bradley**

ECONOMIC DEVELOPMENT

Local Plan

The Preferred Options Stage Two consultation and analysis of the representations is now complete and arrangements will shortly be made to make these publically available. Efforts are continuing to refine the Plan in light of these representations and to take account of changed circumstances through updated evidence and further changes to national guidance and legislation.

Following elections in May, the Local Plan Working Group membership has now been reviewed and confirmed and the group will be working with officers to steer the emerging policies and proposals within the Plan. This Group met on the 28th July and a further full day session is arranged for 10th September.

In terms of key aspects of the evidence base which supports the emerging Local Plan, consultation has now commenced on a draft of the City Centre Development Framework and updated version of the Council's Strategic Housing Land Availability Assessment. Consultation on these documents is running concurrently with interested parties having until 1st September in which to submit comments.

The accompanying Infrastructure Delivery Plan, the purpose of which is to demonstrate that the necessary infrastructure can be delivered to support the realisation of the plans objectives, is also continuing to evolve with a number of meetings having been held and information exchanged with key infrastructure service providers. The key issues where agreed solutions need to be identified relate to highways infrastructure and education

provision, with positive joint working continuing with officers from the County Council on these matters.

The timescales for progressing the local plan remain unchanged from those last reported, with the next milestone being consultation on a 'publication' draft of the Local Plan in January of next year (2015). Adoption of the Plan is still anticipated to be in early 2016.

HOUSING

Affordable Homes Programme 2015-18

All 4 bids in Carlisle District have been approved by the Homes and Communities Agency through the initial bidding round of the Affordable Homes Programme 2015-18. This will generate £1.87m of external investment to develop 79 affordable homes for rent across 3 schemes in Carlisle and a site in Longtown. The successful Housing Associations are Riverside (with 3 schemes) and Home Group (1 scheme).

Homelife Carlisle

The Community Neighbours project has successfully attracted a further £20k of funding from the Clinical Commissioning Group to secure its future to April 2015. It is hoped that from then it will form part of the core CCG funding year on year.

We have just recruited 7 Casual staff as Handy-people, Gardeners and Cleaners, who will carry out those odd jobs around the home that people can't manage any more; clients will be charged an hourly or job rate for this work.

Homelessness Services:

From 1st April to 31st July 2014 the homeless services made 47 homelessness decisions; accepting a full homelessness duty to 5 households; 132 households were successfully assisted to prevent homelessness.

Homelessness Strategy

As part of the review of the Homelessness Strategy, consultation with key stakeholders on the four key priority areas identified locally has begun with two sessions having taken place so far including an interactive workshop to identify local challenges and solutions.

The key priority areas are:

- Appropriate accommodation and Support Pathways
- Multiple Excluded Homelessness and Rough Sleeping
- Increase and improve positive outcomes for young people experiencing homelessness
- Prevention of Homelessness

The information gained from these sessions along with local research findings will be utilised to form the basis of a draft local strategy which will be out for consultation in October / November and implementation in December.

Supporting People audit

The County Council have completed their audit of the commissioned housing related support service at Water Street and have assessed the service overall as a grade B (good). Within the overall service assessment, there were 8 grade A's awarded and 16 grade Bs. The service at Water Street scored an A grade for needs assessment and support planning and was also awarded an A rating for encouraging clients to do things for themselves rather than relying on staff. The County Council were unable to identify any specific improvements to the service overall.

STRATEGIC PROPERTY

Durranhill Industrial Estate

Carlisle City Council was recently successful in attracting £2m funding from Cumbria LEP to enable infrastructure Improvements to be undertaken to Durranhill Industrial Estate. The works will include a new access road from Eastern Way linking into the existing estate road network and improvements to the existing Brunel Way entrance.

Meeting Date: 9th September 2014

Public/Private*: Public

Title: **Communities, Health and Wellbeing Portfolio Holder's Report –
Councillor Jessica Riddle**

Summer Splash

Over 1000 youngsters have so far taken part in Summer Splash 2014. The scheme aims to engage young people (11-17 yrs) and reduce anti-social behaviour throughout the summer holidays. A range of different activities have been put on to challenge young people, give them the chance to try something new and get fit and active.

The scheme has been running for 4 years and was expanded this year to include other key areas across the district. Splash events have been held on Mondays, Tuesdays, Thursdays and Friday evenings between 17.00-20.00 alternating between Chances Park and Hammonds Pond, Melbourne Park and Keenan Park, Longtown and Brampton.

£14,000 was secured through the Police and Crime Commissioner and events have been co-ordinated by Inspira, Cumbria Constabulary, Riverside Housing and Carlisle City Council.

Community Centres Kiosks

Three self serve community kiosks are now fully installed in Greystone Community Centre, Brampton Community Centre and Yewdale Community Centre. The kiosks have been publicised through the Community Centre and Carlisle City Council's channels, and to date have been well accessed by local residents for a number of different services. Yewdale's kiosk has been accessed 1935 times, Greystone 251 and Brampton 88 times since installation.

Multi-Agency Problem Solving Groups

The next Problem Solving Group (PSG) meeting will take place on Wednesday 10th September, 2pm at Riverside offices on Botchergate.

Members are welcome to attend the PSG to raise issues, or alternatively if Members are aware of any issues or concerns regarding anti-social behaviour in their wards the information can be passed to the PSG via Ruth Crane, the City Council's Community Development Officer who will ensure the information is tabled at the group for discussion.

Community Centres

As with 2013 Policy and Communications officers are again this year offering their expertise to community centres developing their business plans. Open workshops are planned for the autumn and there is the offer of further assistance if required.

Welfare Advice Service

On the 23rd July 2014 the Benefit Advice Service underwent a monitoring audit against the Advice Service Alliance's Advice Quality Standard and the service has been successful in regaining the Advice Quality Standard accreditation until August 2016.

The service received very positive feedback and there are no recommendations for improvement. From 1st April to 31st July 2014 the Welfare advice team increased income into the local economy by **£445,047.16**.

Health and Wellbeing

Further detail is to be received around our World Health Organisation Healthy City designation but initial feedback has highlighted that Carlisle were the first UK City announced to achieve this. This demonstrates the commitment and effective partnership working.

Carlisle additionally submitted case studies for consideration to the WHO European Healthy Cities Networks, International Healthy Cities Conference 'Health and the City: Urban Living in the 21st Century'. The World Health Organisation received over 200 abstracts for consideration and each abstract was carefully reviewed by at least two

members of the Abstract Evaluation or Assessment Committee. Whilst not all of our submissions were successful, the following were:

- Hospital at Home & Community Neighbours combined
- Carlisle Doorstep Walks
- A Healthy City Week approach
- Food as a vehicle towards improved health and well-being for the people of Carlisle

This is a huge achievement for Carlisle which allows us to put Carlisle on the map at a European/ International level. Thanks to all those involved in helping us achieve this.

A Walking for Health cascade training course was held which trained members of the community on how to lead guided walks within the area. The participants will either set up their own walks in the area or link into the well established Carlisle Doorstep walks programme.

A new Walking for Health programme has been launched running from August to December in various locations around the district in order to take the walks to different areas so that more people can engage. The scheme continues to grow and attract new walkers and referrals from health professionals. A number of valuable case studies have been captured and we encourage people to signpost to the scheme. We also have a number of exit routes due to the scheme being so successful. More information is available at www.carlisle.gov.uk/walking or please contact Emma Dixon.

Health and wellbeing featured as a key theme at the Carlisle Partnership Forum / AGM. A number of projects were promoted from Hospital at Home, to Fair Meals direct (old meals on wheels scheme), as well as Healthy City Designation, which were celebrated at the successful event which attracted a maximum capacity of over 75 delegates.

Customer Services

Staff within the Customer Contact Centre continuously analyse the changes in demand regarding the way our customers contact us and what they contact us about. Over the last 3 years there has been a 77% increase in customers contacting the contact centre via e-mail. This proves that customers are using technology more and more when contacting the Council. The customer service team are now working in close collaboration with

Digital & Information Services (D & I S) to produce an easy to use, transactional website. This will enable 24/7 service delivery for customers to transact with the Council at a time and in a way which is convenient for them. This will leave the more traditional methods of customer contact, such as telephone and face to face, for those customers who need more support dependant on their circumstances.

The customer service team are also reacting to an increase in transaction times for those customers who wish to contact the Council regarding a number of issues. An example of this is a customer who is moving house. They can speak to the same advisor for their Council Tax change of address, Housing Benefit claim, Refuse & Recycling arrangements, Parking permit, etc. This is all done at the first point of contact along with a number of other services, both for City Council and partner services. Customers have given feedback that they prefer to get their query answered in depth and repeat their details only once than speak to several people and take more time doing so.

Meeting Date: 9th September 2014

Public/Private*: Public

Title: **Culture, Leisure and Young People Portfolio Holder's Report –
Councillor Anne Quilter**

Carlisle Pageant

Over the past few weeks Carlisle City Council have linked up once again with Chester West and Chester Council, with City Council representatives taking part in the Chester Midsummer Watch event and the Chester team is supporting us with the Carlisle Pageant. The Pageant here in Carlisle was well received again this year.

The Carlisle Pageant programme was held between Saturday 16 and Monday 25 August. The city centre events attracted thousands of spectators. It celebrated the city's history and heritage and linked in with the ancient proclamation of the Great Fair on Saturday 23 August.

The programme included a community parade including giant puppets depicting key historic characters from the Tudor period, including Henry VIII and Mary Queen of Scots. Thousands of visitors enjoyed the spectacle of the parade, the street entertainment and theatre. Overall there was a friendly, carnival atmosphere in the city centre throughout midday and the afternoon.

The Best of Carlisle' Market stalls were in the city centre between Sunday 17 August and Wednesday 20 August, followed by an international market between Thursday 21 and Monday 25 August. It was well supported by local businesses who ran special offers and competitions throughout the week.

Carlisle Holiday Guide and Places to Visit Guide

Through our partner, Aha! Distribution, we have distributed over 10,000 Carlisle Holiday Guides and 15,000 Places to Visit Guides. We are also working with them to look at the opportunities in the group travel market

Hadrian's Wall Trust

The Hadrian's Wall Trust (HWT) ceased operational activity on the 31st July 2014 . The Chief Executive, Linda Tuttiett will remain in post part time for the next two months to complete the close down arrangements. The Hadrian's Wall Working Group, which comprises representatives of English Heritage, Natural England, the World Heritage Site Management Plan Committee and Northumberland County Council (acting on behalf of the other authorities) will continue to co-ordinate activity.

- The Northumberland National Park Authority has completed the transfer of the two National Trail staff from HWT and will lead on matters related to the Trail.
- The Hadrian's Wall website will be operated on an interim arrangement by the Newcastle Gateshead Initiative – additional marketing activity is being co-ordinated by a marketing group, which contains representatives of all three DMOs
- Northumberland County Council has completed the TUPE of the World Heritage Site Co-ordinator from HWT.
- The Hadrian's Wall Bus will run as normal.
- Several of the trusts other projects, including the Community / Heritage Champions are in the process of being transferred to Tyne & Wear Museums.

I will keep you informed of any further developments.

Sports Development

The Tennis programme at Bitts Park has continued to have good numbers attending the development sessions with 150 young people taking part in the scheme this year. The sessions encourage young people to try tennis lessons. The coaches have also been delivering free lessons in local Primary schools. Carlisle City Council Officers have also been working with CLL and the Cumbrian SPAA Foundation to deliver tennis camps to local children throughout the school holidays.

We have delivered various disability tennis sessions through funding from the national Tennis Foundation. This has included working with Carlisle Youth Zone and we have set up a disability tennis session on a Friday at Bitts Park which has been particularly well

attended. Following the disability tennis teacher training course we delivered to local school teachers we have received funding for tennis equipment bags (again through the Tennis Foundation). These bags will be shared with local disability schools and organisations that promote disabled tennis.

2,388 people have taken part in our projects through the Community Sports Activation Fund projects (delivered in partnership with the Cumbrian SPAA Foundation). 8% of these people taking part had a Disability / Limiting long term illness and 2% were from a Minority Ethnic background. We are encouraged by participation through our Young People's clubs and our disability projects.

The Go 4 it scheme has had a variety of activities and we have funded start track athletics coaching schemes as part of this. The programme is ongoing throughout the summer holidays.

Our Skyride local partnership with British cycling continues and free led cycle rides have been taking place every weekend in various locations around Carlisle.

We have funded 3 coaches through qualification study, including bouldering (type of rock climbing) and canoeing and awarded 2 sports clubs development grants of £300 towards sports development projects that will enhance their clubs. We have also awarded 3 young sports people free facility access to support their training in partnership with CLL.

We are currently working with Cumbria County Council and Harraby Together We Can to improve the BMX track at the Edgehill road site. Various funding applications have been submitted and consultation with the local community is ongoing on track design.

Tullie House Museum and Art Gallery Trust

Cumbria Museum Consortium awarded Major Partner Museum Funding

Tullie House Museum and Art Gallery Trust has successfully led a bid to the Arts Council for Major Partnership Museum (MPM) funding for the Cumbria Museum Consortium (CMC) for 2015-18. The Cumbria Museum Consortium is a partnership between Tullie House Trust, the Wordsworth Trust and Lakeland Arts. The Arts Council announced the news in July.

The funding award of just over £3m over three years will allow the three museums in the consortium to maintain and develop their successful programme of high quality exhibitions, collections development and innovative engagement work with diverse audiences including the apprenticeship scheme and work with community groups, including working with people with dementia, children and young people.

Arts Council England decided that the programmes of work detailed in the application made an important contribution to their goals of 'great art and culture for everyone and to the national portfolio of major partner museums'.

The Arts Council England is investing £22.6 in major partner museums over the next three years and the Cumbria Museum Consortium is one of twenty one organisations to receive this national funding.

Successful Events

George's Marvellous Medicine performance – Bitts Park

The open-air performance of George's Marvellous Medicine was held on Thursday 17 July. It was a sell-out ticketed event and attracted hundreds of spectators to Bitts Park.

Festival of Sport

As part of the build up to the Glasgow 2014 Commonwealth Games, a Festival of Sport was held at The Sheepmount Stadium on Sunday 20 July. The programme featured sports taster sessions and guided cycling Sky Rides. There was also children's entertainment including face painting, a pedal power scalextric and a fairground.

Tempest at the Tarn

The Pantaloons, a touring theatre company performed 'The Tempest' on Saturday 16 August at Talkin Tarn Country Park. The inclement weather didn't put spectators off from attending the open-air event.

Tourism marketing/action plan

The first Carlisle Crime Writing Weekend will be launched in the next few weeks with the publication of the event's website. The weekend will take place 12-14 June 2015 at The Old Fire Station. The Council are seeking sponsorship of the Weekend and other planned major events.

Report to:

Council

Agenda
Item

11(i)(b)

Meeting Date: 9 September 2014

Public/Private*: Public

Community Overview and Scrutiny Panel - Chairman's Report

Title:

Councillor R Burns

It Was the Best of Times. It Was the Worst of Times!

It has been an odd experience returning to the Council as an Elected Member, having spent 25 years here as an Officer.

In answer to the oft asked question, 'what's the difference?', the answer so far, seems to be, 'not very much!' The issues remain much the same, as do the resolutions and the level of discussion and debate is as fierce and combative between Members as it was between Officers!

Baptism of Fire!

I have been given the privilege of Chairing the Community Overview and Scrutiny Panel and my experience to date has been pleasingly positive for, whilst some of the issues, particularly the development of the Old Fire Station, have clearly divided opinion, the discussion and debate at both the call-in meeting and the subsequent presentation of the Business Plan to a joint meeting of the Community and Resources Scrutiny Panels, was informative, interesting and helpful and conducted in generally good spirit.

It would be strange indeed if a project of such local significance was not to create diverse opinion and heated exchange and so it has proved, but the noticeable thing for me at the conclusion of the last discussion, was that at least the debate has moved on from whether the Old Fire Station should be developed at all, to 'what is the most effective means of operating it?'. That's encouraging!

As with any business start up, there is no guaranteed forecast for success, but I believe that the Plan as presented, was a realistic indication of the future potential of the facility, both artistically and financially. Some colleagues of course, disagree. C'est la vie!

I think we should be wary of becoming too timid in our ambitions as a Council and even as a socialist, I see no harm in putting our faith in controlled entrepreneurialism now and again.

Many of the world's now iconic venues and events were created against a backdrop of significant financial, social and philosophical discontent and disagreement eg the Eiffel Tower, the Guggenheim, the National Theatre, the Millennium Dome, Glastonbury Festival, Edinburgh Fringe, 2012 London Olympics etc and even locally, there was opposition to the development of Longtown Community Centre, the Fireshow, Hadrian's Wall, the Sands Centre and the Magistrates Court (well, there's always an exception!) etc.

I believe that the Old Fire Station will be a viable and exciting addition to the City's growing portfolio of venues which will provide access to a wide range of social, cultural, recreational and sporting experiences to the whole community and whilst it's right that those who have genuine concerns about its viability are able to express them freely, I would urge all Members to accept the due diligence that has gone into preparing the Business and Operating Plans and unite in supporting the development, because, as a wise man (Henry Ford), once said, 'if everyone is moving forward together, success will take care of itself' – a philosophy that seems to have worked reasonably well for his little community enterprise!!

Is There a Brain Surgeon in the House?

Also, as part of my role on the COSP, I was entrusted with the responsibility of being the Council's representative on the Cumbria Health Scrutiny Committee where the issues are often contentious and always relevant.

It is doubtful if a single delegate to this panel could do justice to fully representing any organisation, as the agendas are wide and varied and cover both North Cumbria and Morecambe Bay areas.

I am certainly not an expert on health care, although I did have an operation once, but the meetings I have attended so far have been fascinating, informative, challenging, (in just one report, I counted 9 words that I didn't understand)..... and long!!.

In order therefore that I might meaningfully represent the views of this Council and ergo, the people of the City, as best I can, I intend, in advance of each meeting, to point Members to the website with the Agenda and reports to be presented and to seek views or questions which you may wish me to present if I get the opportunity. Try not to be too parochial!!

Equally, in order that you might be informed of the outcomes, I will let you know when the minutes of the meeting have been posted on the website.

Let's Work Together!

So, it's been an interesting re-introduction to the Council which, despite decreasing resources and the diminishing influence of local government generally, seems to be in surprisingly robust health.

I am slowly becoming re-acquainted with some of what remains of the Council's services, as well as some old and new colleagues and I'm impressed with the level of creative thinking that is prevalent across the board, in trying to ensure that it maintains its relevance to the people of the City.

The interests of the community are best served, in my view, when there are close working relationships between Officers and Members and effective engagement with residents.

An effective Scrutiny process nurtures that philosophy and I look forward to leading the COSP through next year's interesting and varied work programme, which will include; a Task and Finish group investigating Asset Based Community Development; assessing the impact of services provided for children and young people in the city, scrutinising performance reports from two of the City's crown jewels -Tullie House and CLL and monitoring progress on the Corporate Equality Scheme and Shaddongate Development Centre.

Nothing too taxing there then!

Whilst our politics may divide us, we will I'm sure, be united in our efforts to expose any devil that might lie in the detail of the issues presented to us!

Councillor Rob Burns
Chairman

Report to: Council

Agenda
Item

11(ii)(b)

Meeting Date: 9 September 2014

Public/Private*: Public

Title: **Resources Overview and Scrutiny Panel - Chairman's Report**
Councillor Reg Watson OBE

Overview Report and Work Programme

The minutes of the Scrutiny Chairs Group held on 17 July 2014 were circulated for information. It was agreed that a Task Group be established to look at the issues around Member involvement and Member empowerment. This panel would lead on the Group but would invite members from Environment and Economy and Community Overview and Scrutiny Panels.

The Scrutiny Officer drew Members attention to the work programme which had been attached to the report as Appendix 2. She reminded the Panel of their initial discussions regarding work programme items in which Members agreed that they would like to undertake a piece of work on Shared Services and would hold discussions in August with the Director of Resources in order to ensure that any ongoing work was complemented rather than duplicated. RESOLVED – 1) That the Overview Report incorporating the Work Programme and Key Decision items relevant to this Panel (OS.19/14) be noted; 2) That the notes of the Scrutiny Chairs Group held on 17 July 2014 be noted; 3) That a Member Empowerment Task and Finish Group be established and to include Members from Environment and Economy and Community Overview and Scrutiny Panels.

Draft Medium Term Financial Plan 2015/16 to 2019/20

The Finance, Governance and Resources Portfolio Holder further explained that the draft Medium Term Financial Plan would be available for consultation with the Resources Overview and Scrutiny Panel before returning to the Executive on 18 August 2014, prior to transmission to Council for approval on 9 September 2014. The Executive had received the report on 21 July 2014 (EX.67/14 refers) and made it available for Scrutiny. In considering the report Members raised the following comments and questions: *Would it be prudent to consider working with the County Council in respect of the onstreet parking enforcement to avoid duplication of work and reduce costs?* The Finance, Governance and Resources Portfolio Holder explained that discussions had been held with the County Council on the issue. The Chief Executive added that correspondence had been received from the County Council following the decision with regard to on-street parking charges requesting that the contract with the City Council in respect of enforcement be terminated. That contract had two years still to run and the Chief Executive explained that discussions had been held to look at how the service could be maintained and any deficit be reduced.

Draft Capital Strategy 2015/15 to 2019/20

The Finance, Governance and Resources Portfolio Holder outlined the current capital programme forecasts, reminding Members of the key assumptions which had been considered in making the projections including the Capital Programme of £7.217m for 2014/15 and £8.007m for 2015/16. The impact of the 2013/14 outturn and the carrying forward of budgets into 2014/15 and other adjustments had increased the programme to £9.716m in 2014/15. He indicated that the current capital programme forecast spending on capital projects of around £1m -

£2.5m per annum for years 2017/18 to 2019/20, although past experience had indicated that actual spending would be much higher due, in the main, to the fact that a number of initiatives were still at an early stage of development and had not yet been included in the projections. The Portfolio Holder particularly identified the Asset Review Programme and Vehicle Replacement Programme, commenting that the position on those schemes would need to be updated during the budget process when an indication of capital schemes coming to fruition and their timing could be made more accurately. The report further set out an estimated level of capital finance resources which would be generated over the next five years and highlighted the current position regarding borrowing; capital receipts; reserves and balances; Government and other capital grants and external funding; and revenue contributions. Also summarised was the level of capital spending and available financing for the period 2014/15 to 2019/20 which indicated that currently there was approximately £5.6m uncommitted estimated capital resources available to support any future capital programme as at the end of 2017/18. The Executive had received the report on 21 July 2014 (EX.68/14 refers) and made it available for Scrutiny. In considering the draft Capital Strategy Members raised the following comments and

questions: *The report refers to borrowing of £5,000,000 in respect of leisure facilities. If the Council do decide to borrow that money would it be a loan with a repayment programme?* The Chief Executive informed Members that the borrowing requirement indicated in the report would be subject to a detailed Business Case. It was intended that the money would be invested in important leisure facilities at the Sands Centre which would drive down the overall leisure cost in Carlisle. The Chief Executive confirmed that the loan would have a repayment programme. *Was the money to fund the improved pools not coming from the proposed development at Morton? Is that development going ahead?* The Chief Executive explained that the Morton site was part of the disposal of assets programme and was being considered separately to the leisure project. That revolved around money being invested in leisure facilities which it was anticipated would make a saving on the subsidy paid to the leisure provider and return additional capital. The disposal of assets and generation of capital was a longer term project that would lead to the repayment of the £15 million loan and would be included in the MTFP next year.

Organisational Development Plan

In considering the report Members raised the following comments and questions: *How many Members had taken up the opportunity to purchase laptops/tablets with a view to going paperless?* The Organisational Development Manager confirmed that she would find out that information and advise Members of the Panel accordingly. The Finance, Governance and Resources Portfolio Holder explained that the scheme was part of an ongoing programme of efficiency. Some Members would already have computers and printers in their homes and when they became ready for renewal the options could be considered. There may also be an issue with Members who live in rural areas as they may not be able to access the internet. *It may be worth looking at how tablets could interact better with Council systems to make it easier for Members who wish to become paperless. Members who did not own a tablet were not given the opportunity to be part of the pilot programme.* The Finance, Governance and Resources Portfolio Holder stated that if Members were considering going paperless but were reluctant to commit to purchasing a tablet they should be offered the opportunity to sit alongside a Member who does use a tablet in meetings before making a decision. *It is good to see that training is still on the Council's agenda.* The Organisational Development Manager advised Members that there would be a member health Check session on 9 September 2014 between 4.30 and 6.30 immediately prior to the next Council meeting.

RESOLVED – 1. That report CE.08/14 – Organisational Development Plan Report – be noted. 2. That the Organisational Development Manager to look at how many Members had taken up the opportunity to purchase laptops/tablets with a view to going paperless and to advise Members of the Panel accordingly.

Cllr Watson OBE

Chairman

Report to Council

Agenda
Item:

11(iii)(b)

Meeting Date: 9th September 2014
Public / Private Public
Title: ENVIRONMENT & ECONOMY OVERVIEW AND SCRUTINY
PANEL - CHAIRMAN'S REPORT – CLLR NEDVED

The Panel met on the 14th August to scrutinise an interim report on Talkin Tarn Business Plan, update report on the Carlisle City Centre (Draft) Development Framework and update report on the Sense of Place Programme.

The Panel also agreed the Terms of Reference for the Litter Bin Review Task Group who had held their initial meeting on the 24th July. Cllr Dodd was appointed as Lead Member to the Task Group. The Panel received an invitation from Resources O&S Panel to nominate two Members to sit on the Member Empowerment and Involvement Task Group and Cllrs Caig and Nedved were appointed. Claimed Rights had been an agenda item at the last Panel meeting and Members were notified that Officers from Cumbria County Council had met with their solicitors on the 12th August to discuss the Memorandum of Understanding. Members were also supplied with the Carlisle Weed Spraying Programme for 2014 with a commitment for two applications with a third on the basis of need.

The Panel gave consideration to the most recent publication of Key Decisions and were informed of how to access the reports which were not on the agenda of the Panel – namely Adoption of North Pennines Area of Outstanding Natural Beauty (AONB) Management Plan and the Development at Rosehill.

Members were advised that the Panel meeting on October 21st would be held at the Business Interaction Centre with emphasis on business support.

Talkin Tarn.

The Neighbourhoods and Green Spaces Manager presented an interim report on the development of a business plan for Talkin Tarn Country Park which included the financial information and a SWOT analysis. This was building on and responding to work undertaken by a Task and Finish Group in the last Civic Year. The Business Plan would be submitted to the Panel in October. A visual presentation was provided which demonstrated changes and improvements at the Tarn. The Panel were advised on events, sporting activities, improvements at the Tea-room, marketing initiatives and the rare plants and wildlife that can be seen.

Members were informed that an estimated 120,000 people visited the Park each year and the expenditure for the 2013/14 year, including maintenance of the park and running the tea room, was £183,000. The parks contribution to central recharges brought the figure to £243,000. The total income was £248,500 leaving a surplus of £5,500 on the year. The average contribution per visitor is currently £1.00. Visitor numbers are slowly increasing however this is very weather dependent.

A request was made that the Panel would be provided with a copy of the Customer Satisfaction survey at a future meeting.

Carlisle City Centre (Draft) Development Framework.

A report and presentation was provided by the Director of Economic Development updating Members on recommendations and key proposals within the draft City Centre Development Framework. Mr Argent, Consultant with GVA who had led on the retail capacity study was present to answer technical queries on the framework..

A five week consultation was underway until 1st September and Members were provided with a consultation leaflet providing in detail recommendations for all the character areas and the preferred option identifying retail needs.. These proposals would be fed into the emerging new Local Plan.

Each character area had been categorised according to their potential for future change guiding future development in Carlisle City Centre to 2030.

A lively discussion ensued with particular questioning of the Rickergate proposals and the implications for the Civic Centre and adjoining properties. The Panel considered the evidence for the proposed 200,000 sq ft additional retail capacity and looked at traffic considerations and online shopping. Other character areas identified in the report including Lowther Street car-park, the future use of the Citadel buildings and the proposed County Council offices in Botchergate were also discussed .

A report on the responses from the consultation would be submitted to the next Panel meeting and a full report submitted as part of the consideration of the Local Plan.

Sense of Place Programme.

A report was submitted updating Panel Members on the Sense of Place programme, including the Ambassador Scheme, the Carlisle Story and the Prospectus for Carlisle as a promotional document.

Members were advised there were 59 organisations signed up to the Ambassador programme and a series of events had been held. Questions were raised relating to participation, cost of membership and whether this was affordable for small businesses. Members also wanted to know more about the effectiveness and achievements the Ambassador programme and the Economy,

Enterprise and Housing Portfolio Holder and Deputy Chief Executive fielded questions on tourism and business involvement.

The Panel were informed about the purpose and target audience for the Prospectus for Carlisle and noted that this had achieved national recognition.

The position of Place Manager, a post jointly funded by the City Council and the private sector, was advertised to work with the Ambassadors and local business however the recruiting Panel were unable to make an appointment.

Concern was raised whether the Ambassador programme as a result of the failure to appoint would lose momentum. however options for the role were being reviewed with ownership with the steering group. which the City Council was supporting. A further report would be submitted in March 2015.

Full details of the discussions to be found within the minute book.

Report to Council

Agenda
Item:

17(i)

Meeting Date: 9th September 2014
Portfolio: Environment and Transport
Key Decision: Yes: Recorded in the Notice Ref: KD 05/14
Within Policy and Budget Framework YES
Public / Private Public

Title: FOOD LAW ENFORCEMENT SERVICE PLAN
Report of: The Director of Local Environment
Report Number: LE 16/14

Purpose / Summary: The Environmental Health Service Plan comprises the Food law Enforcement Plan and sets out how the Environmental Health Service will deploy its resources in 2014 to 2015 to improve hygiene standards, prevent food borne diseases and help people live healthier lives. It seeks to target intervention to tackle local issues whilst ensuring Carlisle City Council achieves its national responsibilities.

Recommendations:

That Council:

- i. Agree the key actions of the Environmental Health Service Plan with respect to Food Safety in accordance with the Council's Budget & Policy Framework.

Tracking

Executive:	12/5/14 &18/8/14
Overview and Scrutiny:	31/7/2014
Council:	

Report to Executive

Agenda
Item:

Meeting Date: 18th August 2014
Portfolio: Environment and Transport
Key Decision: Yes: Recorded in the Notice Ref: KD 05/14
Within Policy and Budget Framework YES
Public / Private Public

Title: FOOD LAW ENFORCEMENT SERVICE PLAN
Report of: The Director of Local Environment
Report Number: LE14/14

Purpose / Summary:

The Environmental Health Service Plan comprises the Food law Enforcement Plan and sets out how the Environmental Health Service will deploy its resources in 2014 to 2015 to improve hygiene standards, prevent food borne diseases and help people live healthier lives. It seeks to target intervention to tackle local issues whilst ensuring Carlisle City Council achieves its national responsibilities.

Recommendations:

That the Executive:

- i. Agree the key actions of the Environmental Health Service Plan with respect to Food Safety.
- ii. Refer the said plans to Council for approval in accordance with the Council's Budget & Policy Framework.

Tracking

Executive:	23 rd June 2014 & 18 th August 2014	
Overview and Scrutiny:	31 st July 2014	
Council:	9 th September 2014	

1. BACKGROUND

- 1.1 Standards of hygiene when eating out was the main concern for members of the public who took part in the 2013 Food Standards Agency's (FSA) Biannual Public Attitudes Tracker Survey. Other concerns from the survey include additives in food, food poisoning, the increasing prices of food and the amount of food waste. The City Council through its Environmental Health Service plays a significant role in protecting the public by its food inspections and infectious disease investigations.
- 1.2 The Food Standards Agency (FSA) have issued a new Food Law Code of Practice in England which became effective on April 6th 2014. The document provides statutory guidance to the City Council in its role as a "Food Authority" on how we should be carrying out our interventions and official controls. Changes from the previous code include measures to improve focus and effectiveness of enforcement and prevent dual regulation in food businesses. The risk descriptors, used to determine inspection frequencies at food establishments, have been updated to increase clarity and consistency. Businesses judged to have good management systems in place will be subject to a reduced inspection frequency which the Agency claims will allow local authorities to concentrate their resources on those establishments that "are persistently non compliant with food law." Another major change is the recognition that it is now possible for a single competent authority to take responsibility for all enforcement and food control activities at certain premises. It is hoped that this will reduce the need for dual regulation reducing the burdens placed on the food industry and enforcers
- 1.3 The Food Law Enforcement Plan (the Plan) sets out how the Environmental Health Service will protect food safety in Carlisle during 2014 to 2015. As part of the Food Law Enforcement Plan the "Food Safety Service Plan" (Appendix.1- pages 9 to 18) sits within the full Environmental Health Service Plan and links to the key priority actions of the Carlisle Plan (page.3.). The Service Plan seeks to direct resources into achieving the priority outcomes for regulatory services as detailed in the Better Regulation Delivery Office document "Priority Regulatory Outcomes – A New Approach to Refreshing the National Enforcement Priorities for Local Authority Regulatory Services" (November 2011).
- 1.4 In improving food standards the Environmental Health Service is contributing to ensuring a safe, healthy and sustainable food chain for the benefit of consumers. Service plans are an important part of the process to ensure that national priorities and standards are addressed and delivered locally. Service plans help local authorities to:
 - follow the principles of good regulation;

- focus on key delivery issues and outcomes;
- provide an essential link with corporate and financial planning;
- set objectives for the future, and identify major issues that cross service boundaries;
- provide a means of managing performance and making performance comparisons;
- Provide information on an authority's service delivery to stakeholders, including businesses and consumers.

- 1.5 The Food Standards Agency's (FSA) Food Law Codes of Practice (2014) details national food policy but allows local authorities flexibility over how to deliver the national food controls. The Plan sets out how and at what level official food controls will be provided, in accordance with the Codes of Practice. The "Framework Agreement on Official Feed and Food Controls by Local Authorities" (2010) sets out what the Food Standard Agency expects from Carlisle City Council in delivering official controls on feed and food law.
- 1.6 In 2012 the Food Standard's Agency carried out a review on the delivery of "Official Controls for Food Safety." The FSA have concluded that although under pressure the Local Authorities are able to deliver a food safety service. The FSA Board confirmed the strategic importance of the delivery of official controls and the relationship between the FSA and local authorities.
- 1.7 To help to ensure local transparency and accountability, and to show the Service's contribution to the authority's Carlisle Plan, the Framework Agreement recommends that food service plans are approved at the relevant level established for that local authority. The Food Law Enforcement Plan is in Carlisle City Council's Policy Framework in Article 4 of the Constitution.
- 1.8 The Plan covers the period 1st April 2014 to the 31st March 2015 and includes targeted educational and promotional work under taken by the section along with the required food premise inspections.

2. PROPOSALS

2.1 That the Executive:

- iii. Agree the key actions of the Environmental Health Service Plan with respect to Food Safety .
- iv. Refer the said plan to Council for approval in accordance with the Council's Budget & Policy Framework.

3. CONSULTATION

- 3.1** Consultation to Date. - The Plan has been drafted in consultation with officers in the Environmental Health Service.
- 3.2** Consultation proposed. - The Plan has been considered by the Community Overview and Scrutiny Committee on the 31st July 2014.

4. CONCLUSION AND REASONS FOR RECOMMENDATIONS

- 4.1** The recommended key actions have been identified following consultation and reflect the resources available to the Environmental Health Service in the financial year 2014 to 2015.

5. CONTRIBUTION TO THE CARLISLE PLAN PRIORITIES

- 5.1** **Priority 1:** Fostering more, high quality and sustainable business and employment opportunities, through growing existing enterprises and bring new ones in.
- A key requirement of the regulators code is to use the regulators unique contact with local businesses as a means of ensuring growth as well as compliance. Through its Service Plan and Enforcement Policy the Environmental Health Service provides free and impartial advice to business on both legal and technical matters relevant to their trade.
 - Hygiene compliance standards and inspections by the City Council's Environmental Health Service are essential for those food companies looking to export overseas.

Priority 3: Working more effectively through partnerships

- In delivering its food safety responsibilities the Environmental Health Service operates within guidelines and national agreements with partner organisations including: the Food Standards Agency; the Department for Environment and Rural Affairs (Defra); and Public Health England.
- The Food Safety Team work in partnership in delivering projects with organisations such as: Public Health England; Trading Standards; Defra and other Local Authorities.

Priority 5: Making Carlisle Clean and tidy together

- The Environmental Health Service tackles the safe storage of waste. The Food Safety team ensures commercial food waste is stored and disposed of correctly.

Contact Officer: **Angela Culleton**

Ext: **Ex 7325**

Appendices **Appendix 1 – Environmental Health Service Plan 2014 to 2015**
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 Council has a Food Law Enforcement Service Plan in accordance with the Food Standard Agency's Framework Agreement which applies to local enforcement of all feed and food laws, and incorporates the latest guidance and standards on feed and food law enforcement. As stated in the report, the Service Plan forms part of the Council's revised Policy Framework and, as such, has been considered by the relevant Overview & Scrutiny Panel before being referred for approval to Council by the Executive.

Local Environment –

Resources – The costs of implementing and monitoring this Food Law Enforcement Service Plan can be met from within existing base budgets under the control of the Local Environment Directorate in 2014/15.

Environmental Health

Service Plan

2014 to 2015

Contents

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Structure

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Scope of Service

The Environmental Health Service provides a range of mandatory and discretionary activities that protect the health and well being of the citizens of Carlisle. This Service links directly to some of the key priority actions of the Carlisle Plan.

Link to the Carlisle Plan

Priority 1: Fostering more, high quality and sustainable business and employment opportunities, through growing existing enterprises and bring new ones in.

- A key requirement of the regulators compliance code is to use the regulators unique contact with local businesses as a means of ensuring growth as well as compliance. The Environmental Health Service provides free and impartial advice to business on both legal and technical matters relevant to their trade.

Priority 3: Working more effectively through partnerships

- We operate within guidelines and national agreements with partner organisations which include: The Food Standards Agency; the Health and Safety Executive; the Department for Environment and Rural Affairs (Defra); and Public Health England.
- We work in partnership in delivering projects with organisations such as: Cumbria Constabulary; the Environment Agency; Trading Standards; the Dogs Trust; Keep Britain Tidy, Federation of Small Business.

Priority 5: Making Carlisle Clean and tidy together

- The Environmental Health teams tackle the safe storage of waste. The Environmental Quality and Food Safety teams ensure domestic and commercial waste is not a public health concern; the Education and Enforcement team tackles illegal practices such as fly tipping, dog fouling and littering.

The Service seeks to achieve the priority outcomes for regulatory services as detailed in the Better Regulation Delivery Office document “Priority Regulatory Outcomes – A New Approach to Refreshing the National Enforcement Priorities for Local Authority Regulatory Services” (November 2011). Regulators must take into account and give due weight to the priority outcomes when developing policies and operational procedures, setting standards or giving guidance on enforcement.

- Regulatory Priority Outcomes:**
1. Support economic growth, especially in small businesses, by ensuring a fair, responsible and competitive trading environment. **(Direct Link to the Carlisle Plan)**
 2. Improve quality of life and well being by ensuring clean and safe neighbourhoods **(Direct Link to the Carlisle Plan)**
 3. Help people live healthier lives by preventing ill health and harm and promoting public health.
 4. Ensure a safe, healthy and sustainable food chain for the benefit of consumers and the rural economy

The “**Regulators’ Code 2013**” made under section 23 of the Legislative and Regulatory Reform Act 2006, applies to all the activities delivered by the Environmental Health Service. The code requires the Environmental Health Service, along with its principal function of protecting public health, to engage with and support business growth.

Key Facts from 2013/2014

Key Services	Key Facts	Key Actions
Food Premises registration Approved processes	1169 food businesses in Carlisle	
Food and Health and Safety Business Inspections (and follow-up visits)	2082 Carlisle premises regulated under local Authority Health and Safety legislation. 601 Food inspections 1 Health, Safety and Welfare inspections	1 Hygiene Improvement Notices on food businesses. Food Hygiene Prosecutions. 2 Health and Safety Improvement Notices
Investigations into cases and outbreaks of infectious diseases	Total of 156 cases	
Respond to Food Alerts issued by the Food Standards Agency	9 food alerts	
Food Sampling	140 samples of local food checked.	
Pest Control	54 contracts 518 notifications of rats 392 wasp notifications	
Workplace accident investigations	85 workplace accidents reported 38 investigated.	
Response to incidents affecting public health	4,434 service requests ranging from complaints about noisy neighbours to requests for pest control treatments.	22 Abatement Notices issued protecting the public's health and welfare. 50 PFN issued for littering, 7 for waste receptacle offences and 8 for Fly Posting.
Drinking Water Safety	157 Private water supplies which serve 404 properties 15 Supplies risk assessed 112 samples taken 10 parameter failure, 56 wholesomeness failures.	7 notices – re boil water and for improvement of supply

Environmental Health Service Plan 2014 to 2015

Undertaking of promotional and educational campaigns		Noise Action Week – May Food Safety Week - June
Inspection for and remediation of 'Contaminated Land'(Part IIA definition) with reference to the Strategy	1019 sites with previous industrial use.	750 remain to be rated.
To assess and manage local Air Quality	50 Carlisle sites monitored monthly for Nitrogen dioxide and two sites continually monitored. 1 site monitored continually for Benzene 1 site monitored continually for particulate matter (PM10 and PM 2.5) 6 Air Quality Management Areas	2012 Progress report completed and accepted by DEFRA Updating and screening assessment submitted to DEFRA April 2013
To ensure all Prescribed Processes are properly permitted and monitored	82 permitted industrial processes 25 inspections to ensure safe emissions to air.	5 Notices served
To arrange for the funeral of deceased persons where no other arrangements have been made	Advised on 9 funerals	4 pauper funerals organised and deaths registered.
Enforce all relevant dog control legislation and provide a stray dog collection service.	418 stray dogs collected 14 fixed penalty notices for dogs off leads	1 prosecutions for stray dog offences. 45 FPN issued for dog fouling 12 prosecutions
Provision of expert advice to the Development Control Section	226 consultations	
Statutory consultee to the Licensing Section for public nuisance and health and safety	24 consultations and applications for Premises Licences 101 Temporary Event Notices	
Licensed Premises	22 caravan sites registered 15 Pet Shops licensed 4 Dog Breeding Establishments 25 Animal Boarding Establishments	
Registered premises	43 premises registered for skin piercing activities 243 people registered for skin piercing activities	
Statistical reporting		Statutory returns for Defra (LAPPC); Drinking Water Inspectorate (Private Water Supplies); Food Standards Agency (LAEMs - food inspections); Health and Safety Executive.

Environmental Health Service Plan 2014 to 2015

		Returns for noise complaints also made to the Chartered Institute of Environmental Health.
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General Service Plan

Outcome	Key Action	2012/13 Performance:	Target 2013/14	Progress:
<ul style="list-style-type: none"> Support Economic Growth 	Use the Department's face to face contact with Carlisle Businesses to promote business information.	<p>93% of businesses inspected agree they were treated fairly.</p> <p>95% of businesses inspected agree they the inspection was helpful.</p> <p>Business Support Strategy Launch</p>	<p>85% target for the survey responses to fairness and helpfulness.</p> <p>Develop initiatives with the FSB and the Cumbria Chamber of Commerce.</p>	.
	Improve communication between the County's Regulatory Services and the Local Enterprise Partnerships through working through Cumbria's Public Protection Group.	Full representation at Public Protection Group Meetings.	Full representation and contribution at Public Protection Group Meetings. Through the Public Protection Group engage with the LEP.	
	Review the Council's Web Site to ensure information to the public is relevant and accessible	Pages reviewed. Opportunities to get greater use out of	Progress with IT better use of the website facility for recording service	

Environmental Health Service Plan 2014 to 2015

	and facilitates e-government for accessing application forms etc and specifying service provision and charges.	the web identified	requests.	
<ul style="list-style-type: none"> Healthier Lives 	Work with the Healthy Cities Steering Group and the Healthy Communities Working Group on actions in delivering the Healthy Cities Improvement Action Plan.	Contributions to Healthy Cities Week and Food Safety training	At least one coordinated campaign	
	Deliver a Local Healthy Options Award	Award developed.	20 food establishments issued with the Award.	
<ul style="list-style-type: none"> Support Economic Growth Clean and Safe Neighbourhoods Healthier lives Sustainable food change 	To respond to all service requests within 5 working days	97%	100%	
	Respond to consultations from Licensing and Planning within 28 days.	99%	100%	
	Contribute to the Multi Agency "Problem Solving Groups"	Attendance at meetings	Active assistance to the Licensing Best Bar None Scheme	
	Provide an informal public health out of hour's service where circumstances necessitate.	Arrangements made for out of hours food hygiene inspections and special events (e.g. Tattoo Fair), also necessary nuisance visits Environmental Health Manager on the Emergency contact lists: Public Health England: Food Standards Agency; Fire; Emergency Planning		

Food Law Enforcement Service Plan

The City Council operates its food law enforcement following the “Framework Agreement” with the Food Standard Agency who are the lead national authority on Food Law. The Council also operates within the revised (April 2014) “Food Law Code of Practice” issued by the Food Standards Agency.

The Council has a partnership agreement with Public Health England regarding response to infectious disease incidents.

Demands on the food enforcement service

The City Council’s food safety service is delivered from the 5th Floor of the Civic Centre, Rickergate, Carlisle Tel 01228 817559 Email: Environmentalhealth@carlisle.gov.uk

As of 31st March 2014 a total of 1,169 food premises are subject to programmed food hygiene interventions as per the table below.

Type of Premises	Number
Distributors/Transporters (F)	14
Manufacturers (C)	23
Producer (A)	15

Environmental Health Service Plan 2014 to 2015

Retailers (G)	239
Restaurants and other caterers (H)	856
Manufacturer selling by retail (J)	21
Total	1168

The City Council also has 6 “approved” processes subject to Regulation 853/2004.

Ref no	Name	Product	App Number
20131	Nestle	Dairy - Milk powder/cream	VK302
20314	Esk	Dairy - Milk/cream	VK010
20052	Cavaghan and & Gray	Meat Products	VK001
50021	Bells Fishmongers	Fish	VK007
20101	Calder Foods	Meat Products	VK004
20041	Pioneer Food	Meat Products	VK005

The City Council has procedures in place to share its food premises database with the County Council’s Trading Standards Department who have responsibility for Food Standards within the District.

Environmental Health Service Plan 2014 to 2015

In addition to registered food businesses that form part of the programme, the local authority inspected approximately 72 new food businesses in 2013 / 2014.

During the same period the local authority dealt with a range of incidents and enquiries. These are set out in the following table.

Type of Incident / Action	Number
Food hygiene complaints/Food complaints	129
Product Recall Information Notice	34
FSA Food alerts for action	9
Allergy Alerts	48
Product Withdrawal Information	1
Training requests	1
Infectious disease cases	156
Food sampling	140

All food premises are rated according to their level of risk, as defined by the Food Standards Agency Code of Practice.

Environmental Health Service Plan 2014 to 2015

The risk rating determines the frequency and nature of the interventions that are classed as official controls. The table below provides a summary:

Category	Intervention Type	Inspection Frequency	Numbers
A – High risk	Inspection and education promotions	6 months	2
B	Inspection and education promotions	12 months	47
C	Inspection and education promotions	18 months	445
D	Inspection and education promotions	24 months	173
E – Low Risk	Mail questionnaire and education promotions	>36 months	423
UNRATED	Awaiting Inspection		35
OUTSIDE	N/A		44

New food premises should be inspected within 28 days of being notified to the City Council, they will then be rated and incorporated into the inspection programme. The officers will decide if a revisit is necessary following an inspection and the Civica database will be used to programme the revisit date. The food sampling programme is another intervention used as part of the official control.

Enforcement policy

The Environmental Health Service adopt the principles laid down in the Enforcement Concordat, which states that enforcement must be fair, consistent and equitable. The City Council's Food Safety Enforcement Policy outlines the enforcement options available for dealing with problems relating to non-compliance with the legislation and can be found on the website,

http://www.carlisle.gov.uk/environment_and_waste/environmental_health/food_infectious_diseases.aspx

Food complaints

The investigation of customer's complaints regarding food safety is an important area of work for the team. The City Council has a response target of 7 days for such complaints. In 2013/14 the team dealt with 129 food complaints.

Primary and home authority principle

The Home Authority Principle was developed by food and trading standards authorities to aid consistent enforcement. The scheme provides national businesses with a home authority source of guidance and advice and provides a system for the resolution of disputes. Carlisle City Council fully endorses the Home authority and Primary Authority principle but has yet not received any requests for support in this area.

Advice to business

The service provides advice and support for all food businesses on request. Information is available on the local authority website, http://www.carlisle.gov.uk/environment_and_waste/environmental_health.aspx. Information is also available in leaflets at available from the Civic Centre Offices. Officers are available to visit businesses to advise on any aspect of food safety and hygiene. Advice is also given during the planning and building control processes. Coaching in Safer Food Better Business is an integral part of the business support package.

Food inspection and sampling

A food sampling programme is produced every year which outlines the local authority's sampling strategy and approach to specific local and national demands.

The Cumbria Sampling Group co-ordinate the sampling programme for Carlisle, Allerdale, Copeland and Eden. The plan is developed by the group to incorporate priorities identified by Public Health England and the Food Standards Agency.

Microbiological examinations are undertaken by Public Health England, Food, Water and Environmental Microbiology Laboratory, Preston, Royal Preston Hospital, Sharoe Green Lane, Preston PR2 9HT.

In 2013/14 the Food Safety Team took 140 food samples, 89 of which were reported as satisfactory with 6 unsatisfactory. Visits are made to those premises to identify reasons why the food samples will have been unsatisfactory and re sampling is completed to ensure other food samples are sent to the Preston Laboratory for food testing. The analysis includes testing for food composition and contamination. Samples from food complaints are also submitted for analysis.

Control and investigation of outbreaks and food-related infectious disease

The Food Safety team will investigate food-related infectious disease notifications in accordance with procedures agreed with the Public Health England. The response to notifications of illness will be dependent on the severity of illness ranging from immediate in the case of serious infections e.g. E. coli, typhoid to questionnaires being sent for cases such as campylobacter. The investigation information is sent to Public Health England for all cases except campylobacter. Investigation of outbreaks are in accordance with the Outbreak Control Plan agreed with the Public Health England.

The table below summarises the number of cases notified to Carlisle City Council in 2013/14.

Disease	Number
Campylobacter	132
Salmonella	11
Suspected food poisoning	13
Norovirus	8*
Hepatitis A	0
Shigella Dysentery	2
E. coli 0157	2
Cryptosporidium	14
Giardia Lamblia	2
Other Viral	1
Giardia duodenalis	6

*number of outbreaks e.g. residential homes

2013/14 had a low number of outbreaks, the norovirus (winter vomiting disease) was particularly low compared to previous years with only 8 outbreaks reported in the District.

Food safety incidents

Food alerts are issued by the Food Standards Agency to relate information on national food issues to local authorities, the majority being for information only. Food alerts for action require officers to undertake a wide variety of courses of action dependent upon the issue at hand. In 2013/14 there were 9 food alerts requiring action that were dealt with by the food team.

Liaison with other organisations

Environmental Health involves a number of stakeholders in the supply and operation of its food hygiene services including:

- Public Health England
- The County Council's Public Health and Trading Standards Departments
- Cumbria Food Liaison Group
- Cumbria Health Protection Liaison Group
- The Care Quality Commission
- Cumbria Chamber of Commerce and the Carlisle and Penrith Federation of Small Business
- Food Standards Agency
- Better Regulation Delivery Office

Food safety and promotions

Carlisle City Council participates in the Food Standards Agency National Food Hygiene Ratings Scheme. The scheme is designed to provide information about business hygiene standards to members of the public but is also a useful tool to drive up performance standards of food businesses. Other promotional initiatives used include: Safer Food Better Business workshops; Local Healthy Options Awards; Food Safety Week; Food hygiene training.

Staffing resource

A structure chart is available on page 20. The number of full time equivalent (FTE) officers estimated to be deployed solely on food safety is set out in the following table:

Officer Post	FTE
Environmental Health Manager	0.3
Principal EHO	0.6
Environmental Health Officer	3.0

Officer development

Competency and continuous professional development requirements for local authority staff engaged in food safety are detailed in section 1 of the Food law Code of Practice (England) April 2014. Training and competency records of all Carlisle City Council officers engaged in food safety are stored and monitored through a record file in the K drive. The Lead Food Officer is required to monitor and report on compliance with our competency requirements.

Quality assessment and performance management

The Principal EHO and the Environmental Health Manager will monitor quality and performance, the flare action code “AGA” should be used to confirm a management audit. The Cumbria Food Safety Technical Working Group will provide peer review for standardised food safety enforcement in the County.

Environmental Health Service Plan 2014 to 2015

Outcome	Key Actions	2013/14 Performance:	Target 2014/15	Progress:
Sustainable Food Chain Healthier lives	Inspect 100% food businesses at intervals in accordance with the Food Standard's Agencies Code of Practice and educate and enforce where necessary.	97%	100%	
	Work toward increasing the number of "broadly compliant" food businesses	93.5%	95%	Corporate Indicator LE050
	Continue to work with and promote the National Food Hygiene Rating System.	Successful transfer. 99% of local authorities in England are in the National Food Hygiene Rating System.	Continued compliance with the Food Standard Agencies branding agreement	Check on: food.gov.uk/ratings
Sustainable Food Chain Healthier lives	To sample foodstuffs for microbiological safety in accordance with local and national need	100% of sampling credits by Public Health England used.	Collect samples as requested by the Public Health England coordinated sampling programme and local samples as determined by risk.	

Environmental Health Service Plan 2014 to 2015

			Continue with the ATP swabbing programme.	
	To actively take part in Cumbria Food Liaison Group plan of work	Full Contribution and Attendance at meetings and development of Action Plan	Full Contribution and Attendance at meetings and development of Action Plan Ensure link to Health and Well being Board obesity agenda – Local Healthy Options Award progress	
	Undertake basic food hygiene training for hard to reach groups	2 training events completed with 100% pass rate	2 training events for hard to reach groups	
	Participate in “public health” related activity as requested by partners such as the County Council, Public Health England and the Food Standards Agency.	Food Safety Week and Healthy Cities initiatives	At least one campaign per year. Food Safety Week 17 June 2014	

Health and Safety Service Plan

Carlisle City Council has responsibility for health, safety and **welfare** regulation at most retail, leisure and **service** businesses. The Health and Safety Executive directs Carlisle City Council on how it undertakes its responsibilities. LAC 67/2 (rev 4) informs the City Council how it should target its inspection and interventions with respect to those activities it regulates. The recent revision of LAC 67/2 will bring a greater number of activities back to requiring proactive inspections.

The City Council's health and safety service is delivered from the 5th Floor of the Civic Centre, Rickergate, Carlisle Tel 01228 817559 Email: Environmentalhealth@carlisle.gov.uk

As of 31st March 2014 a total of 2082 premises are subject to health and safety enforcement by the council.

In addition 43 premises and 243 people are registered to carry out skin piercing activities.

In May 2013 HSE published the National Local Authority Enforcement Code (the Code). The Code was developed in response to the recommendation in "Reclaiming health & safety for all: an independent review of health & safety legislation" by Professor Ragnar Löfstedt for HSE to be given a stronger role in directing Local Authority (LA) health & safety inspection and enforcement activity and as an outcome of the Red Tape Challenge on health and safety.

The Code is designed to ensure that LA health & safety regulators take a more consistent and proportionate approach to their regulatory interventions. It sets out the Government expectations of a risk based approach to targeting. Whilst the primary responsibility for managing health and safety risks lies with the business who creates the risk, LA health & safety regulators have an important role in ensuring the effective and proportionate management of risks, supporting business, protecting their communities and contributing to the wider public health agenda.

List of activities/sectors for proactive inspection by LAs – only these activities falling within these sectors or types of organisation should be subject to proactive inspection

No	Hazards	High Risk Sectors	High Risk Activities	Carlisle
1	Legionella infection	Premises with cooling towers/evaporative condensers	Lack of suitable legionella control measures	No LA enforced premises
2	Explosion caused by leaking LPG	Premises (including caravan parks) with buried metal LPG pipework	Buried metal LPG pipe work (For caravan parks to communal/ amenity blocks only)	Will be inspected in accordance with Llard
3	e.coli/cryptosporidium infection esp. in children	Open Farms/Animal Visitor Attractions	Lack of suitable micro-organism control measures	Will be inspected
4	Fatalities/injuries resulting from being struck by vehicles	Tyre fitters*/ MVR* (as part of Car Sales) High volume Warehousing/Distribution	Use of two-post vehicle lifts Workplace transport	Will be inspected
5	Fatalities/injuries resulting from falls from height/ amputation and crushing injuries	Industrial retail/wholesale premises e.g. steel stockholders, builders/timber merchants	Workplace transport/work at height/cutting machinery /lifting equipment	Will be inspected
6	Industrial diseases (occupational asthma/deafness)	MVR*(as part of Car Sales) Industrial retail/wholesale premises e.g. steel stockholders, builders/timber merchants	Use of Isocyanate paints Noise and dust	Will be inspected
7	Falls from height	High volume Warehousing/Distribution	Work at height	Will be inspected
8	Crowd control & injuries/fatalities to the	Large scale public events/sports/leisure facilities e.g. motorised leisure pursuits	Inadequate consideration of public safety e.g. poor	Will be inspected

Environmental Health Service Plan 2014 to 2015

	public	including off road vehicles and track days	organisation and/or supervision of high speed or off-road vehicle movements	
9	Carbon monoxide poisoning	Commercial catering premises using solid fuel cooking equipment	Lack of suitable ventilation and/or unsafe appliances	No relevant premises within district
10	Violence at work	Premises with vulnerable working conditions (lone/night working/cash handling e.g. betting shops/off-licences/care settings) and where intelligence indicates that risks are not being effectively managed	Lack of suitable security measures/procedures	Will <u>not</u> be proactively inspected as local intelligence does not suggest risks are poorly managed

National Priorities

National programme of work for the control of legionella
Raising awareness on the duty to manage asbestos
Visitor attractions to prevent or control ill health arising from animal contact
Visits to specified sites as part of the coordinated national Campaign to address LPG underground pipe work in response to the Lord Gill recommendation;
Investigation of incidents and complaints - LAs should use HSEs incident selection criteria and complaint handling to select relevant incidents and

Environmental Health Service Plan 2014 to 2015

complaints
Reactive work only in accordance with the Beauty sector strategy

Local priorities

Skin piercing

Gas safety in catering (follow up from BRDO events)

Outcome	Key Action	2013/14 Performance:	Target 2014/15	Progress:
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Healthier lives	Identify those risk activities requiring proactive inspections and develop and implement a proactive inspection strategy.	New	Revised inspection rotas within the Flare database.	
	To review & implement an Alternative Intervention Strategy for those businesses that do not require inspection (in accordance with LAC 67/2 Rev 4 & Cumbria H&SLG)			

Environmental Health Service Plan 2014 to 2015

	Inspect premises and investigate accidents in compliance with legal responsibilities, and educate, encourage and only enforce in line with the Enforcement Policy		Introduce Decision recording Form	
	To contribute & work in partnership by carrying out work as per the Cumbria Health and Safety Liaison Group work plan	<p>Carlisle priorities agreed:</p> <ul style="list-style-type: none"> • Animal contact • Underground LPG storage • Asbestos • Workplace temperatures • Noise at work • Smoking • Warehousing (esp. falls and manual handling) 	Progression of action plan – number of initiatives.	
	Work with the Public Health England to improve the safety of skin piercers in Carlisle.	Joint publicity and leaflet produced for the April North Lakes Tattoo show.	Tattoo Hygiene Rating Scheme	

Environmental Quality Service Plan

Most of the work undertaken by the Environmental Quality Section is directed by the Department of Environment and Rural Affairs (Defra).

Activity	Key Action	2013/14 Performance:	Target 2014/15	Progress
<ul style="list-style-type: none"> • Healthier lives • Clean and safe Neighbourhoods 	Air Quality			
	Review Carlisle's Local Air Quality and prepare an Update and Screening Assessment for submission to DEFRA.	2013 Progress Report Completed and accepted Defra.	2014 Progress Report Completed and submitted to Defra	
	Progress the Air Quality Action Plan for the 6 Air Quality Management Areas.	Action Plan agreed by Defra	JMT Report on the Air Quality Action Plan.	
	Promoting campaign encouraging reducing transport pollutants		Produce a summary of actions progressed in 2013.	No promotions 2013/14

<ul style="list-style-type: none"> • Healthier lives • Clean and safe Neighbourhoods 	Local Air Pollution Prevention and Control			
	Inspect 100% of permitted processes in accordance with DEFRA's inspection strategy.	100 % inspection achieved	100% inspection target as per the risk rating.	
	Contaminated Land			
	Address and prioritise contaminated land	Strategy Updated.	<p>Consult on draft Strategy.</p> <p>Executive Report for Contaminated Land Strategy and hardship policy.</p> <p>Work with the Planning Department to ensure housing and other developments only take place on land suitable for use</p> <p>Respond to enquiries regarding possible land contamination</p>	

Environmental Health Service Plan 2014 to 2015

<ul style="list-style-type: none"> • Healthier lives • Clean and safe Neighbourhoods 	Noise and Nuisance			
	Revise strategies for dealing with noise nuisances	Attendance at East and West PSG.	Review the procedure for domestic noise investigations in light of the Antisocial Behaviour Crime and Policing Act 2014. Contribute to webcam open forum for noise.	
	Private Water Supplies			
	Sample and assess 100% of private water supplies in accordance with the DWI Technical Manual.	100%	100%	
	Pest Control	Raised awareness of the service via posters, media releases and leaflets.	Review service in light of reduced staffing.	
	Seagull Control	1. Leaflet Produced 2. Premises where	Review areas identified and Notices.	

Environmental Health Service Plan 2014 to 2015

		roosting was a concern identified and 34 written to. 6 Abatement Notices Served 3. Press releases	Promote proofing and good house keeping.	
	Licensed Premises			
	Review the web information on application for licences.		Deliver the report on the Further amendments to be made re new Mobile Homes Act 2013 and the Mobile Homes site rules Regulations 2014 (come into force on 4/2/14)	
	Dog Warden			
		Charging review completed.	Review 2 nd offence fees and use of Dogs off Lead Control Orders. Benchmarking and Tender process.	
	Cumbria Environmental Protection Technical Working Group.	Full Contribution and attendance at meetings and development of Action Plan.	Action planning, emerging Issues peer review and regional consistency.	

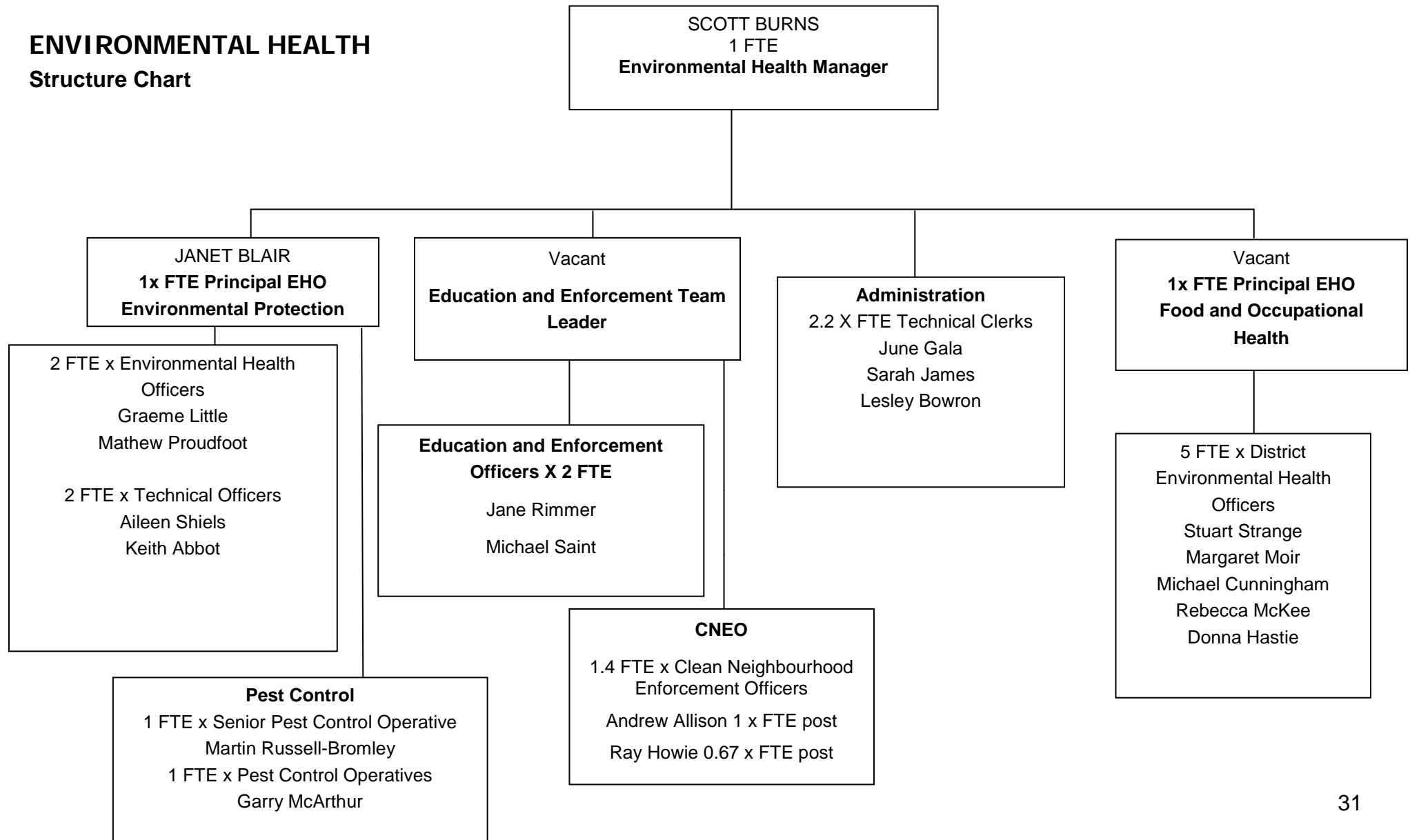
Education and Enforcement Teams Enforcement Plan

Activity	Key Action	2013/14 Performance:	Target 2014/15	Progress:
<ul style="list-style-type: none"> • Clean and safe Neighbourhoods • Healthier lives 	Progress the Clean Neighbourhood Enforcement Plan	<p>2013/14 Enforcement Plan produced and followed.</p> <p>FPN's issued 43 dog fouling, 42, littering, 12 dogs off leads, 8 waste receptacles, 8 fly posting, 1 failure to produce a waste transfer note</p> <p>Prosecutions – 2 fly tipping, 1 littering, 8 dog fouling, 5 dogs off leads, 1 waste receptacles,</p>	<p>Reduction in dog fouling incidents and complaints compared to 2011/12 benchmark.</p> <p>JMT report on the 2 year Clean Up Carlisle Initiative.</p>	
	Deliver a Educational Campaign for dog fouling and littering	<p>3,000 primary children delivered educational message plus 420 year 7's, 2 out of the three schools involved</p> <p>250 dogs micro chipped</p>	Produce an Educational Action Plan	

Environmental Health Service Plan 2014 to 2015

	Review and update policies.	Reviewed the procedures for dealing with Graffiti offences. Abandoned Vehicles came into the Team.	Review Control Orders in light of the Antisocial Behaviour Crime and Policing Act 2014.	
	Develop a strategy with partner organisations to tackle environmental crimes.		Attend PSG East and West and CD&ASB – continue to develop partnership working with Riverside and Impact	
	CCTV		Produce working procedures for the revised CCTV System Assist in the transfer to the County Wide CCTV and the City Centre Wi-Fi initiatives.	

ENVIRONMENTAL HEALTH Structure Chart



EXCERPT FROM THE MINUTES OF THE EXECUTIVE HELD ON 23 JUNE 2014

EX.57/14 FOOD LAW ENFORCEMENT SERVICE PLAN
(Key Decision – KD.05/14)

Portfolio Environment and Transport

Relevant Overview and Scrutiny Panel Community

Subject Matter

The Deputy Leader, and Environment and Transport Portfolio Holder submitted report LE.02/14 presenting the Food Law Enforcement Service Plan, which set out how the Environmental Health Service would deploy its resources in 2014 to 2015 to improve hygiene standards, prevent food borne diseases and help people live healthier lives.

She explained that the Plan linked to the key priority actions of the Council's Carlisle Plan and also sought to direct resources into achieving the priority outcomes for regulatory services as detailed in the Better Regulation Delivery Office document "Priority Regulatory Outcomes – A New Approach to Refreshing the National Enforcement Priorities for Local Authority Services" (November 2011).

In improving food standards the Environmental Health Service was contributing towards ensuring a safe, healthy and sustainable food chain for the benefit of consumers. Service Plans were an important part of the process to ensure that national priorities and standards were addressed and delivered locally.

The Deputy Leader, and Environment and Transport Portfolio Holder informed Members that, although the Food Standards Agency's Food Law Codes of Practice detailed national food policy, they did afford local authorities flexibility over how to deliver the national food controls. She added that the Plan set out how and at what level official food controls would be provided in accordance with the Codes of Practice.

The Framework Agreement on Official Feed and Food Controls by Local Authorities (2010) recommended that food service plans were approved at the relevant level established for that authority with a view to ensuring local transparency and accountability, and to show the Service's contribution to the authority's Carlisle Plan.

In conclusion the Deputy Leader, and Environment and Transport Portfolio Holder requested that the Executive agree the recommendations as detailed in the report, which course of action was seconded by the Leader.

Summary of options rejected None

DECISION

That the Executive:

1. Agreed the key actions of the Environmental Health Service Plan with respect to Food Safety.
2. Referred the said plans to Council for approval in accordance with the Council's Budget and Policy Framework.

Reasons for Decision

The recommended key actions have been identified following consultation and reflected the resources available to the Environmental Health Service in the financial year 2014 to 2015.

**EXCERPT FROM THE MINUTES OF THE
COMMUNITY OVERVIEW AND SCRUTINY PANEL
HELD ON 31 JULY 2014**

COSP.47/14 FOOD LAW ENFORCEMENT SERVICE PLAN

The Food Law Enforcement Service Plan had been circulated for information.

EXCERPT FROM THE MINUTES OF THE EXECUTIVE HELD ON 18 AUGUST 2014

EX.77/14 **FOOD LAW ENFORCEMENT SERVICE PLAN
(Key Decision – KD.05/14)

(In accordance with Paragraph 15(i) of the Overview and Scrutiny Procedure Rules, the Deputy Mayor had agreed that call-in procedures should not be applied to this item)

Portfolio Environment and Transport

Relevant Overview and Scrutiny Panel Community

Subject Matter

Pursuant to Minute EX.57/14, the Deputy Leader, and Environment and Transport Portfolio Holder submitted report LE.14/14 presenting the Food Law Enforcement Service Plan, which set out how the Environmental Health Service would deploy its resources in 2014 to 2015 to improve hygiene standards, prevent food borne diseases and help people live healthier lives.

The Deputy Leader reiterated that the Plan linked to the key priority actions of the Council's Carlisle Plan and also sought to direct resources into achieving the priority outcomes for regulatory services as detailed in the Better Regulation Delivery Office document "Priority Regulatory Outcomes – A New Approach to Refreshing the National Enforcement Priorities for Local Authority Services" (November 2011). In improving food standards the Environmental Health Service was contributing towards ensuring a safe, healthy and sustainable food chain for the benefit of consumers. Service Plans were an important part of the process to ensure that national priorities and standards were addressed and delivered locally, and she recommended that all Members of the City Council read the document.

Although the Food Standards Agency's Food Law Codes of Practice detailed national food policy, they did afford local authorities flexibility over how to deliver the national food controls. The Plan set out how and at what level official food controls would be provided in accordance with the Codes of Practice.

The Framework Agreement on Official Feed and Food Controls by Local Authorities (2010) recommended that food service plans were approved at the relevant level established for that authority with a view to ensuring local transparency and accountability, and to show the Service's contribution to the authority's Carlisle Plan.

The Community Overview and Scrutiny Panel had received a report on the matter for information on 31 July 2014.

The Deputy Leader complimented members of staff within Environmental Services for drawing up the document, and for their work which safeguarded local communities.

In conclusion the Deputy Leader, and Environment and Transport Portfolio Holder requested that the Executive agree the recommendations as detailed in the report, which course of action was seconded by the Leader.

Summary of options rejected None

DECISION

That the Executive:

1. Agreed the key actions of the Environmental Health Service Plan with respect to Food Safety.
2. Referred the said plans to Council for approval in accordance with the Council's Budget and Policy Framework.

Reasons for Decision

The recommended key actions had been identified following consultation and reflected the resources available to the Environmental Health Service in the financial year 2014 to 2015

Report to Council

Agenda
Item:

17(ii)

Meeting Date: 9th September 2014
Portfolio: Finance, Governance and Resources
Key Decision: YES - Recorded in the Notice Ref: KD.06/14
Within Policy and Budget Framework YES
Public / Private Public

Title: ASSET REVIEW BUSINESS PLAN - REFRESH OF DISPOSAL PROGRAMME
Report of: Director of Governance
Report Number: GD 44/14

Purpose / Summary:

The attached Report (GD 30/14), a review and refresh of the Asset Review Business Plan Disposal Programme, has been considered by the Executive at the meeting on 21st July. It is now brought to Council for agreement and adoption as part of the Council's Policy Framework.

Recommendations:

The Report is adopted as part of the Council's Policy Framework.

Contact Officer: Raymond Simmons Ext: 7421

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:

- CE 39/10 Draft Asset Review Business Plan; RD 47A/13 Asset Review Business Plan – Disposal Programme

Report to Executive

Agenda
Item:

A.1

Meeting Date: 21st July 2014
Portfolio: Finance, Governance and Resources
Key Decision: Yes: Recorded in the Notice Ref: KD.06/14
Within Policy and Budget Framework: Yes
Public / Private: Public

Title: Asset Review Business Plan – Refresh of Disposal Programme
Report of: Director of Governance
Report Number: GD 30/14

Purpose / Summary:

In discussion with Portfolio Holders Officers' have undertaken a review of the Disposal Programme, stocktaking the current position in the light of progress, changing circumstances, and the emerging priorities in the Carlisle Plan 2013 – 2016 to address future housing needs. An earlier Report to the Executive (RD 47A/13), which provided an update, proposed some changes to the content of the Plan, and outlined proposals to bring forward a pipeline supply of future housing development sites, was withdrawn from the Council meeting on 7th January 2014. Officers' have now reviewed the proposed outputs, making some minor changes to the Plan, and the Executive is invited to reconsider the matter and, subject to any further comments, refer the Report to full Council for adoption.

Recommendations:

1. The Executive note the current position and progress with the Disposal Programme.
2. The Executive considers and comments upon the proposed changes to the Disposal Programme, and the plans to bring forward potential housing development sites to meet the priorities of the Carlisle Plan and address future housing needs, before passing the Report to full Council for adoption.

Tracking

Executive:	21 st July 2014
Council:	9 th September 2014

1. BACKGROUND

1.1. Asset Review Business Plan – Disposal Programme

The citizens and businesses of Carlisle benefit from the City Council owning a substantial property portfolio with a value of circa £122m. This portfolio generates income of approximately £5.7m pa – a substantial contribution to the costs of delivering services in the City.

The Asset Review Business Plan was developed by Montagu Evans, working principally with Property Services and the Chief Executive, and approved by Council on 11th January 2011 (Report Ref CE.39/10 refers).

The Plan's objectives are to rationalise and consolidate the portfolio, with a programme of disposals spread over 4 years realising capital receipts of £24 m, and to have:-

- Clear and separate management of the operational, investment and economic development assts.
- Fewer, higher yielding investment assets which are cheaper and easier to manage.
- Maximisation of the embedded value within the portfolio.
- Council owned assets which are well maintained and continue to be attractive for occupiers.
- Increase returns through higher income and lower outgoings.

The capital receipts will be used to fund investment purchases, generating additional income to support budget and efficiency savings, and help secure service delivery into the future, and to finance improvements to the operational and economic development portfolios.

A total of 51 assets were identified for disposal over the life of the Plan. The Montagu Evans Business Plan sets out the business case and detailed information on all the assets; this can be accessed on the web link <http://bit.ly/ccc-ARBP>.

Separately there is also an ongoing review of operational property used for service delivery, which includes the Civic Centre office accommodation and the Depots.

1.2. Current Situation

Disposal Monitoring Schedule

The Disposal Monitoring Schedule sets out in **Appendix1** the current position and work in progress for each of the original 51 assets earmarked for disposal. It also shows, for those assets where sales have been completed, the target receipts and actual outcomes, the impact on rental income and lease numbers, and the cost to date of realising sales.

Summary Position

The overall position to date in terms of disposals, acquisitions and the impact on the estate and rental income can be summarised in the following table. The cost to date of realising sales including marketing, agency fees and ancillary disbursements amounts to circa £141k which at 2% of gross receipts is within budget targets.

<u>Sales</u>	No Assets	Target Receipt	Actual Receipt
Completed	28	£5.102m	£6.468m
In the pipeline	2	£3.0m	
<u>Purchases</u>	No Assets	Cost	Property
Completed	7	£2.235m	Rickergate properties, Bhs Woolworth Building, Herbert Atkinson House
In the pipeline	1	£2.66m	Morton employment land exchange
<u>Rentals</u>	No Assets	No Leases	Amount pa
Losses	28	82	£199k
Gains	7	6	£220k

Morton

A significant part of the Business Plan delivery, and the re-engineering of the Council's portfolio, hinges on the release and disposal of the latent value in the Council's retail and residential assets at Morton. There is a risk that delays in the disposal of this asset will have a substantial impact on the disposal programme, the capital reinvestment plans and revenue position of the Council.

This has been recognised and identified on the Council's Corporate Risk Register and budgetary plans, and is being carefully monitored.

Housing Priorities

The Carlisle Plan 2013-16 identifies the delivery of housing as a priority action for the Council going forward. A number of sites earmarked for disposal in the original Disposal Programme (10 in total) have the potential, subject to market demand and planning to deliver residential development opportunities in the short to medium and longer term. This could be through the private sector, Registered Providers, a mix of both or bespoke initiatives such as self build schemes.

Additionally a recent trawl of the operational and investment portfolio has been undertaken to identify any vacant land or assets which may become surplus to requirements in the future and merit consideration for inclusion in the Disposal Programme as a 2nd phase of asset sales which may also be suitable for release for housing development land. This sift has resulted in a further 8 assets being identified for inclusion in the Disposal Programme, shown listed within the Disposal Monitoring Schedule **Appendix 1** as "Phase 2", which can be brought forward and prioritised as opportunities arise in accordance with their capacity to generate additional capital receipts .

Bringing forward land for residential development for sale in the market place is commonly a resource intensive and time consuming exercise. Much depends on the planning situation, whether there is a current housing allocation, the prospect if at all for a future allocation and, if this can be realised, whether the timescale is in the short, medium or longer term.

The suitability of the 18 assets in the original Disposal Programme and "Phase 2" to deliver future housing needs has been assessed through a desk top appraisal by Planning, Housing and Property officers. Site locations for all the assets involved are shown on the Plan, attached to this Report as **Appendix 2**, edged in red and coloured green. Land shaded light pink on the Plan highlights the relationship of these sites with other land in Council ownership.

The desktop evaluation has looked at the pertinent issues most likely to influence the ability to deliver land for residential development including inter alia current use and occupation, planning, site conditions and constraints, end users, value and market demand, and timescales. The conclusions from the exercise have been re evaluated in the light of current circumstances and Member consultations. The conclusions are tabled together and presented in **Appendix 5** to the Executive for comment with a proposed recommendation in terms of disposal strategy and a potential pipeline delivery programme.

2. PROPOSALS

2.1 Disposal Programme Going Forward

- **Asset Sales on Hold - Appendix 3** – This schedule details the asset sales within the original Programme which have been put on hold, delayed or postponed. The position is noted and a future course of action for each is proposed.
- **Asset Sales Consented and Underway - Appendix 4** – This schedule sets out details for assets which already have Executive consent to their release. Sales are in the pipeline or the preparatory work to bring the assets to the market is already underway. The Executive is invited to note the position.
- **Housing Development Site Recommendations - Appendix 5** – This schedule details the 18 assets identified from the original Disposal Programme (10), and the recent trawl of operational and investment property (8), which have been assessed for suitability and viability as potential housing development sites with a view to bringing forward a future delivery programme to meet the Council's housing aspirations and budgetary requirements. For each site under assessment the asset details are set out, together with a planning overview, and other material considerations. A proposed course of action is suggested for each individual asset, which can be collectively broken down into 5 groupings, with the following outcomes/actions:-
 - **Category “A” - No prospect of housing development** – These assets, shown in Appendix 5, should be released for sale in the short or longer term as part of the disposal programme, or retained for operational use.
 - **Categories “B” - Ripe for sale and development** – All of these assets, shown in Appendix 5, are already included in the Disposal Programme and have the benefit of a current planning allocation for primary residential use. The land at Raffles is already in the course of development, through the Lovells Partnership Agreement, and the housing site at Lonning Foot, Rockcliffe has been on the market for some time now. It is suggested for the sites which are not already underway; these should be brought forward to the market as soon as possible on the basis of the proposals set out.
 - **Category “C” - Strong possibility for development in the short term** – These sites have the potential to be brought forward for housing

over the next 2 to 3 years and to raise significant capital receipts. Subject to planning, they could meet private house builder demand and also provide a mix of affordable/social housing through Registered Providers. Work to bring these sites forward in order to deliver within the timescale envisaged needs to commence straightaway with the appropriate resource allocation.

- **Category “D” - Longer term opportunities** - These are larger and more complicated sites, shown in the Appendix which, if they are to be brought forward for housing, require a corporate strategic approach worked up over the longer term.
- **Category “E” - Miscellaneous sites** –These remaining sites in Appendix 5, which are relatively small in size, all have intrinsic constraints commonly around access which limit scope for housing purposes unless a special purchaser, such as a Registered Provider, or specific use for example self build, can be found to unlock any future potential. Disposal of these sites will be more problematic but opportunities may arise which merit individual progression.

3. CONSULTATION

- 3.1.** The Asset Review Business Plan has been endorsed by full Council following an extensive period of consultation with stakeholders and Members. These proposals to refresh the content of the Plan and meet the housing needs of the Carlisle Plan 2013-16 have been discussed at Senior Management Team, Joint Management Team, the Strategic Housing Development Group and some Members have expressed views. The observations and opinions coming out of these discussions and consultations have been incorporated into the Report.

4. CONCLUSION AND REASONS FOR RECOMMENDATIONS

- 4.1.** To more effectively manage the Council’s assets in pursuit of wider strategic and budgetary objectives, and bring forward land for development to meet the goals of the Carlisle Plan to address housing needs.

5. CONTRIBUTION TO THE CARLISLE PLAN PRIORITIES

- 5.1.** It is considered the proposals will support the following priorities:-
- Addressing the current and future housing needs of the City.
 - Promoting partnership working with private and public organisations.

- Providing capital receipts to support the Asset Business Plan and maintain public services.

Contact Officer: **Raymond Simmons** **Ext: 7421**

Appendices attached to report: Appendix 1 – Disposal Programme Monitoring Schedule
 Appendix 2 – Housing Sites Location Plan
 Appendix 3 – Asset Sales on Hold
 Appendix 4 – Asset Sales Consented and Underway
 Appendix 5 – Housing Development Sites - Recommendations

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: CE 39/10 Draft Asset Business Plan; RD 47A/13 Asset Review Business Plan – Disposal Programme

CORPORATE IMPLICATIONS/RISKS:

Chief Executive's – None

Community Engagement – None

Economic Development – None

Governance – The Council has a fiduciary duty to properly manage its property assets. It has the legal powers to both buy and sell land and, in terms of disposals, should sell surplus land. The Asset Management Plan is part of the Council's reserved Budget & Policy framework and, as such, the Executive is required to consult with Overview & Scrutiny before making a recommendation to Council.

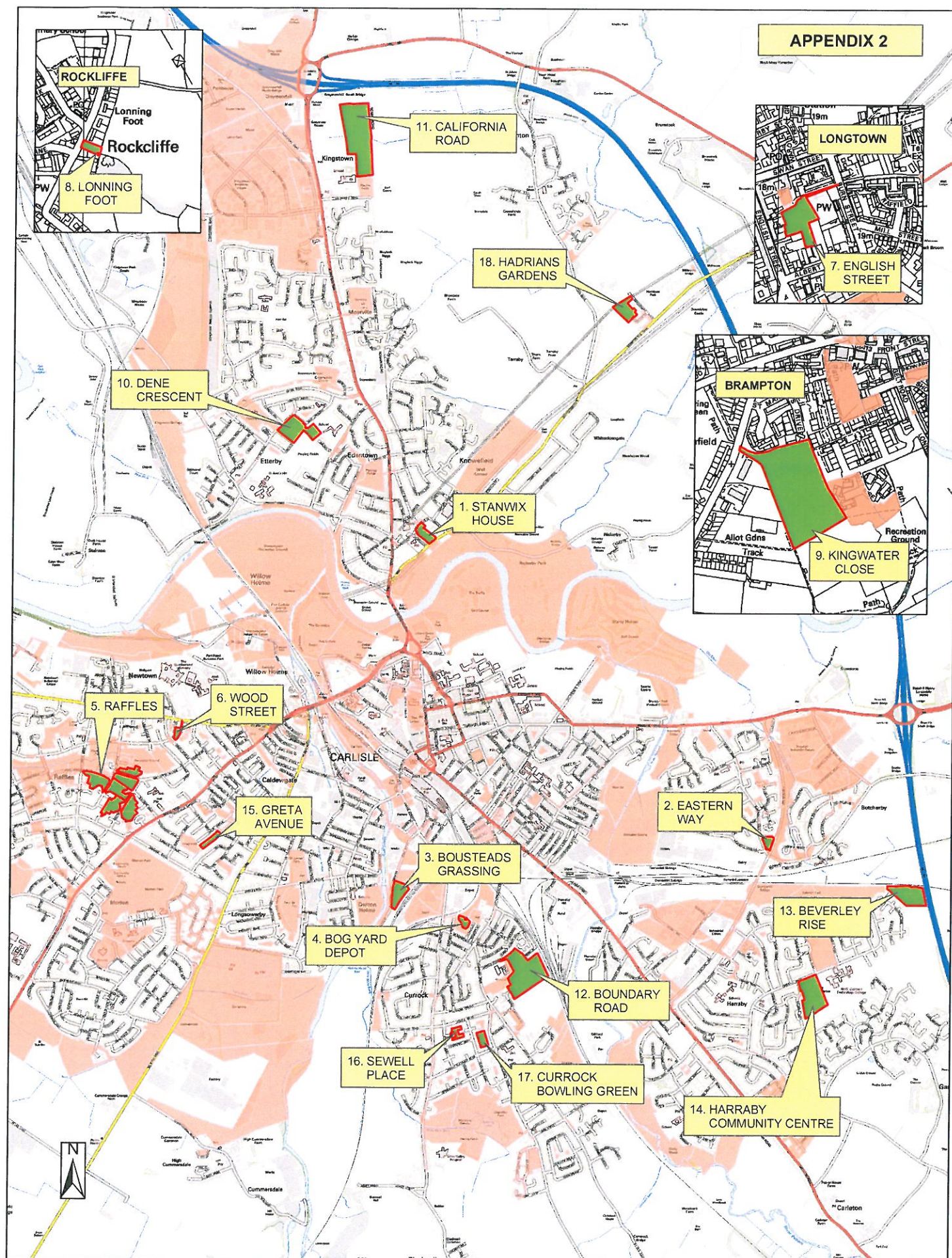
Local Environment – None

Resources – The asset review business plan has been progressing since its implementation and to date has achieved £1.37 million more capital receipts than originally anticipated (£6.47 million against £5.1 million). Seven purchases have been completed at a total cost of £2.235 million and new income has been generated of £220,000. Lost rental income on assets sold of £199,000 has been incurred. Further assets have been identified for potential disposal which, if sold will provide additional receipts over and above those originally envisaged.

Asset Review Business Plan - Disposal Programme - Monitoring Schedule

Disposal Programme													Progress							Comments & Issues	
Item	Property	Year					Target Receipt (£)	Rental Loss (£)	No of Leases / licences / tenancies	Property	Legal	Planning	Communication	Governance	Marketing	Completion	Records	Gross Receipt Net of VAT (£)	% Change on Target Receipt	No of Leases / licences / tenancies sold	
		10	11	12	13	14															
1	Morton Residential Site (Church Commisioners)								1												Montagu Evans. Linkage Morton Retail. Negs close finalising land exchange. Exec consent 11/2/13
2	Cumbria University - Paternoster Row/Castle St							94,500	2												Historic Quarter. Tullie Trust.
3	Carlisle Airport								1												Planning. Development prospects.
4	Rosehill Industrial Estate (part)						100,000		26												Special purchasers. Marriage value. Contamination. Parking. EDU significance
5	Whinnie House Residential Ground Lease						6,250		1												Rent Review imminent
6	Doctors Surgery Fusehill Street						10,000		1									20,000	100.00	1	Sold
7	Depot R/O Old Raffles Parade						30,000		1									24,000	-20.00	1	Sold
8	Land between Eastern Way and Durrhill Road								0												Planning & Development. Remove from Programme?
9	Land at Boundary Road								0												Planning & Development
10	Land at Dene Crescent								0												Planning & Development
11	Land at Beverley Rise								1												Planning & Development
12	Land at Kingwater Close Brampton								2												Planning & Development
13	Doctors Surgery at Eastern Way						137,500	8,250	1									160,000	16.36	1	Sold
14	James Street Workshops							51,750	7												Auction in February postponed. Hold in abeyance pending further consideration
15	Cumbria University - Stanwix House/Cottage							19,200	2												Planning & Development
16	BBC Annetwell Street						10,000		1									50,000	500.00		Sold
17	Port Road Workshops and Storage Land						300,000	29,925	6									275,000	-8.33	6	Sold
18	Land at Gelt Rise Brampton						200,000											216,000	8.00		Sold
19	Land at Low Meadow						324,000											360,000	11.11		Sold
20	Morton Retail Land								1												Montagu Evans. Linkage Morton Residential land & Viaduct Est.
21	Treasury Court						180,000	13,500	1									260,000	44.44		Sold
22	Land at Leabourne Road						24,000		1									14,000	-41.67	1	Sold
23	Land at Wood Street								1												Planning and Development. Community interest
24	Hewson Street Workshops						200,000	20,000	5									180,000	-10.00	5	Sold
25	South John Street Workshops & Storage Land						190,000	15,000	8									164,950	-13.18	8	Sold
26	Land adjoining Morton Petrol Filling Station						50,000	20	1									47,500	-5.00	1	Sold
27	Land at central Longtown								0												Planning and Development. Marriage adjoining site discussions in hand. Marketing imminent.
28	17 Scotch Street (Save the Children)							26,000	1												Linkages with City Centre and sale of Lanes.
29	Retail Units 1,2 & 3 Market Place, Brampton						237,000	23,350	2									240,000	1.27	2	Sold
30	Viaduct Industrial Estate							21,325	2												Hold in abeyance pending Morton retail site linkage
31	Burgh Road Industrial Estate						1,000		1									500	-50.00	1	Sold
32	Land at Lonning Foot Rockcliffe								0												Planning Consent. Autumn 2011 marketing. Fallen through, remarketing and sale agreed
33	Currock Road Retail Site						1,393,000	77,000	3									1,910,000	37.11	3	Sold
34	Long Island Park Industrial Estate						157,000	12,600	3									244,800	55.92	3	Sold
35	Longtown Industrial Estate						90,000	7,200	3									80,000	-11.11	3	Sold
36	Willowholme Industrial Estate						300,000	28,756	25									859,000		23	All Estate sold apart from 2 Showmen Guild Sites retained
37	Airport Industrial Estate						30,000	4,678	2									63,600	112.00	2	Sold
38	Sub Stations							87	21												Records. Identification
39	Rigg Street						5,000		1									12,000	140.00	1	Sold
40	Residential Enclosures							500	203												Records. Identification
41	Garages at Isabella Street						12,000		5									19,000	58.33	5	Sold
42	Garages at Gardenia Street								3												Hold linkage Depot Accommdation Review
43	Garages at Tullie Street						12,000	502	2									18,000	50.00	2	Sold
44	Garages at Allason Court Brampton						10,000	1,004	4									11,700	17.00	4	Sold
45	Garages at Broad Street							1,256	10												Withdrawn Auction. Further consultation. Amenity land retained bringing Garages to market shortly
46	Land at Old Isolation Hospital, Moorhouse						65,000		2									95,000	46.15	2	Sold
47	Agricultural land at Carlisle Airport						300,000		5									479,760	59.92	5	Sold
48	Agricultural land at Harker						32,000		1									39,500	23.44	1	Sold
49	Land at Gelt Bridge Brampton						150,000		1									210,000	40.00	1	Sold
50	Esk Street Depot						13,000		0									13,000	0.00		Sold
51	Raffles Development Land						640,000		0									400,375	-37.44		Lovells Partnership Agreement. Dalton Ave & Thomlinson Rd sites sold now.

Disposal Programme										Progress								Comments & Issues				
Item	Property	Year					Target Receipt (£)	Rental Loss (£)	No of Leases / licences / tenancies	Property	Legal	Planning	Communication	Governance	Marketing	Completion	Records	Gross Receipt Net of VAT (£)	% Change on Target Receipt	No of Leases / licences / tenancies sold		
		10	11	12	13	14																
	Annual Loss of Rent:						562,653		Total Gross Receipts:							6,467,685			28 properties sold. Total no' leases, licences & tenancies sold: 82			
	Annual Sales:						5,102,500		Total Disposal costs:							141,047			Net receipts over estimate:			
							Total no' leases, licences & tenancies:		Net Receipts:							6,326,638			£1,224,138.00			
								371	Costs % of Gross rcpts:							2%						
KEY:																						
Progress Indicator		Red					Not started															
		Yellow					Underway															
		Green					Completed															
Progress Categories:		Property		Property preparatory sale tasks						Inspection; Plans; Boundaries; Occupations; Utility Services; Highways; Drainage; Use; Rates												
		Legal		Legal preparations for sale						Report on title: Registration; Criel Down; Public Open Space; Legal Pack												
		Planning		Establishing planning position						Local Development Framework; Site Appraisal; Listing; Designations; Advice; Planning Application												
		Communication		Informing relevant parties						Ward Members; Parish Councils; Tenants; Adjoining owners												
		Governance		Consents & approvals						Executive; Council; Statutory approvals												
		Marketing		Undertaking the sale						Valuation; Disposal route (private treaty/tender/auction); Agency appointment; Marketing budget; Sales particulars; Advertising; Marketing; Viewing; Negotiations; Heads of term; Section 123 Valuation												
		Completion		Completion legal documentation						Instructions; draft documentation; Pre contract enquiries; Exchange; Completion;SDLT; Land Registry												
		Records		Update Records						Finance; Asset Register; Property Database; Terrier plans; Insurance												



APPENDIX 2

ASSET REVIEW BUSINESS PLAN – DISPOSAL PROGRAMME**SALES ON HOLD – DELAYED OR POSTPONED**

Monitoring Schedule Ref	Montagu Evans Plan Page Ref	Asset	Position	Proposed Action
45	56	Garages at Broad Street	Members postponed proposed auction sale following interest by local residents group to retain part of asset as amenity open space.	<ol style="list-style-type: none"> 1. Amenity land – finalise terms with Resident Group for lease 2. Dispose of let garages on open market.
14	72	James Street Workshops	Proposed auction sale. Members put on hold pending consideration on the way forward.	Hold in abeyance within the Disposal Programme pending further consideration of position
42	58	Gardenia Street Garages	Hold pending Depot Review, possible access / development potential	Continue to hold in abeyance until decision on Bog Yard made following Depot Review
30	69	Viaduct Industrial Estate	Strategic site pending outcome Morton transactions	Hold in abeyance until Morton outcome materialises
28	36	17 Scotch Street (Save the Children)	Strategic linkages with The Lanes Shopping Centre and Rickergate	Lanes in new ownership. Discuss incorporating asset into Lanes family portfolio.

ASSET REVIEW BUSINESS PLAN – DISPOSAL PROGRAMME**ASSET SALES CONSENTED & UNDERWAY**

Monitoring Schedule Ref	Montagu Evans Plan Page Ref	Asset	Position	Proposed Action
32	117	Lonning Foot, Rockcliffe	Sale fell through and went back on market	Re-marketed for sale by private treaty, sale agreed pending legal completion
40	82	Residential Enclosures	Numerous scattered house / flats freehold reversions. Poor records, resource intensive with little return	Progress sales as priorities & resources allow with a view to release asset this financial year
38	83	Electricity Sub Station Sites	Numerous scattered freehold reversionary sites. Poor records, resource intensive with little return	Progress sales as priorities & resources allow with a view to release asset this financial year
5	94	Whinnie House Road	Outstanding Rent Review to resolve. Several interested parties	Resolve Rent Review and bring to market formally this financial year

ASSET REVIEW BUSINESS PLAN – DISPOSAL PROGRAMME
HOUSING DEVELOPMENT SITE RECOMMENDATIONS

CATEGORY	PLAN REF	ME PLAN REF	ASSET					PLANNING OVERVIEW	NOS DWGS	GREEN SPACE COMMENTS	HOUSING COMMENTS	PROPERTY SERVICES ACTION / POSITION	CONSIDERATIONS & ISSUES	RECOMMENDED ACTION
			Name	Asset Category	Disposal Prog	Area Ha Acs	Use							
A	1	95	Stanwix House & Cottage	Investment	Disposal Prog	0.74 1.8	Leased to Cumbria Uni	Designated in the Preferred Options Local Plan as open space. The alignment of Hadrian's Wall goes through the site which restricts development potential due to impact on the wall and archaeological investigation. The main building is Grade II Listed and development would also have to take account of the setting of the listed building. Limited development potential	N/A	No implications	No comments	Preparatory enquiries re title and planning	Primary Leisure. Hadrian's Wall. Redevelopment of buildings may be acceptable but little prospect on land	Housing scope nil Disposal Programme sale. Progress and bring to open market
	2	114	Land between Eastern Way & Durranhill Road, Botcherby	Investment	Disposal Prog	0.39 0.96	Open space	Designated in the Preferred Options Local Plan as open space. Due to the road alignment and existing junctions access is difficult to this site and therefore not suitable for development.	N/A	Potential loss of specimen trees.	No comments	No action pending refresh Disposal Programme.	No scope. Retain open space or sell to reduce maintenance liabilities	Housing scope nil Review Disposal Programme sale Retain as open space and remove from Disposal Programme
	3	N/A	Bousteads Grassing Depot	Operational	No	1.09 2.69	Depot	Designated in the Preferred Options Local Plan as Primary Employment Area. The land is liable to flood although defended but restricts the potential for housing. Permission was granted on the adjacent land for residential development but this has not been implemented and several attempts to sell the site have been stalled due to underlying contamination issues. It is understood that this may have changed hands recently but not necessarily for residential development. Potential at Bousteads Grassing Site may be limited by neighbouring uses.	33	No green space implications	No comments	No action awaiting Depot Review	Depot Review. Flood risk. Limited scope for residential. Still in Operational use	Housing scope limited. Operational use continues. Consider future use following accommodation Depot Review. Leave in Disposal Programme and reconsider when service requirements cease
	4	N/A	Bog Yard Depot	Operational	No	0.327 0.81	Depot	Designated in the Preferred Options Local Plan as white land which envisages no change. Access is limited but could be taken from Gardenia Street. The site has greater potential for development if it was combined with the adjacent allotment land which could then create an acceptable form and layout but on its own its potential is limited.	6	No green space implications	No comments	No action awaiting Depot Review	Depot Review. Scope but poor access, amalgamate adjoining land?	Housing scope limited Consider future use following accommodation Depot Review Leave in Disposal Programme and reconsider when service requirements cease

CATEGORY	PLAN REF	ME PLAN REF	ASSET					PLANNING OVERVIEW	NOS DWGS	GREEN SPACE COMMENTS	HOUSING COMMENTS	PROPERTY SERVICES ACTION / POSITION	CONSIDERATIONS & ISSUES	RECOMMENDED ACTION
			Name	Asset Category	Disposal Prog	Area Ha Acs	Use							
B	5	107	Raffles Development Land	Investment	Disposal Prog	11.64 28.7	Lovells Dev't Scheme	Designated in the Preferred Options Local Plan as Primary Residential Area. There are various planning permissions in place for market housing or affordable housing in line with the original Raffles Vision to regenerate the area by introducing a mix of housing types and tenure. Envisaged that this potential will continue to be developed as phases continue.	248	No green space implications	No comments	Sales proceeding in line with development agreement with Lovells	Lovells Partnership Development Programme. Phases 4, 5, 6 to build out. Affordable houses for sale & some social housing	Continue to progress housing dev / sales with Lovells Mix affordable Pvre Sector & Social Housing.
	6	105	Land at Wood Street	Investment	Disposal Prog	0.22 0.55	Former Bowling Green Vacant	Designated in the Preferred Options Local Plan as open space. The potential for this site has recently been restricted by a reassessment of the area liable to flood which now covers most of the site. There are also access restrictions due to widths of neighbouring streets but may be able to be accommodated. Unless these can be resolved there is limited potential	14	No operational green space implications. There is an expectation that this site will be developed. There have been suggestions of a community garden on the site but this would be a community initiative if it ever came forward.	Not identified as a current priority site following soft market testing with local Housing Associations, although adjoins Riverside flats. Narrow access	Ex bowling green – preparatory work undertaken and issue with flooding has arisen which is currently being looked at by a consultant	Part Flood Zone. Poor access. Neighbourhood issues. Delivery for housing or any use will be problematic.	Exhaust any housing potential, social or private. In absence of interest release to market under Disposal Programme.
	7	110	Land at English Street, Longtown	Investment	Disposal Prog	0.46 1.14	Former Allotments Vacant	Designated in the Preferred Options Local Plan as Primary Residential Area. Some development potential but has to take into account the adjacent Lochinvar Beck and adjacent conservation area. Adjacent land has permission for development and provision has been made to enable a joint access to be achieved with the Council owned land.	18	No green space implications	No comments	Ex bowling green – preparatory work undertaken and issue with flooding has arisen which is currently being looked at by a consultant. Provisional agreement to bring to market jointly with Church.	Feasibility of joint development with Catholic Church. Access issues. Consent on neighbouring land issued – see application 11/0279.	Pvre Sector Housing Disposal Programme sale. Progress discussions with Church to jointly bring to market in Summer 2014.
	8	117	Land at Lonning Foot, Rockcliffe	Investment	Disposal Prog	0.075 0.18	Former Garden land Vacant	Planning permission has previously been granted on this site but limited to 1 or 2 plots.	1	No green space implications	No comments	Offer accepted subject to planning. Awaiting completion of contract of sale	Agreement for sales has fallen through on a number of occasions. Site for 1/2 dwellings	Pvre Sector Housing Disposal Programme sale. Progress current offer to completion.

CATEGORY	PLAN REF	ME PLAN REF	ASSET					PLANNING OVERVIEW	NOS DWGS	GREEN SPACE COMMENTS	HOUSING COMMENTS	PROPERTY SERVICES ACTION / POSITION	CONSIDERATIONS & ISSUES	RECOMMENDED ACTION
			Name	Asset Category	Disposal Prog	Area Ha Acs	Use							
C	9	100	Land SW of Kingwater Close, Brampton	Investment	Disposal Prog	2.32 5.73	Agricultural land	Allocated in the Preferred Options Local Plan for housing (open market with a S106 contribution for affordable units). Access arrangements need to be considered in more detail as could be a potential constraint to housing numbers but a number of options exist.	70	No green space implications	Main two accesses would involve crossing Riverside land. Riverside have expressed interest in working with a private developer partner to develop the site for market housing with Riverside as the provider for the affordable housing element.	Preparatory work already undertaken re initial searches	Attractive/desirable site for pvte developers. Access limitations to unpick. Development in conjunction adjoining land a possibility. Probably our most valuable site.	Pvte Sector Housing Disposal Programme sale. Bring forward into market
	10	111	Land at Dene Crescent, Belah	Investment	Disposal Prog	2.19 4.93	Open space	Designated in the Preferred Options Local Plan as open space. The site was assessed for development potential but not considered suitable due to the need for open space. (The whole site and the area behind the new medical site were assessed separately). A small development along the frontage to Dene Crescent may be suitable and could come forward as a windfall housing development but would not be sufficient to allocate in the Local Plan.	N/A	<p>The site is in the form of two linked rectangular grassed areas, with the larger one bounded by Dene Crescent, Belah Road and Parkside. The smaller area is landlocked between Caldew Court, private sports fields and the site of the new community surgery.</p> <p>Both areas are understood to be zoned as primary leisure areas. Certainly the larger site retains significant value as a recreational open space which is crossed by a well-used diagonal footpath linking Dene Crescent with Parkside.</p> <p>While we would rather both areas as public open space, we recognise that the larger site has greater value for recreation due to its size and location. We would therefore prefer to see it retained as public open space.</p> <p>The smaller area is not so well-used for recreational purposes. If any of this land had to be given up for development the smaller site would result in lesser impact on the recreational value of the site as a whole.</p>	Significant interest from local Housing Associations in developing this site. Has been identified as a potential site for the 'Demonstration Project', whereby students from Carlisle College would gain experience & qualifications in the latest offsite volumetric construction technologies, working with a local developer and a Housing Association	Preparatory work undertaken re report on title and offer received from interested party 6/2/14 developing part of the site for Autism Unit.	No housing scope in principle area. Potential to bring forward bespoke scheme on smaller area.	Bring forward Disposal Programme sale on minor area, following up interest on Autism Units and/or social housing. Major part remains as open space.
	11	N/A	Land at California Road, Greymoorhill	Investment	No	6.54 16.15	Agricultural land	Allocated in the Preferred Options Local Plan for housing (open market with a S106 contribution for affordable units). Access is required from adjacent allocated housing land which is in private ownership. There is developer interest in this site.	196	It is understood that the area mooted for disposal is adjacent to, and does not include, the area used for football pitches by both local teams and James Rennie School, which we would wish to see retained. The adjacent site is of limited recreational value.	No comments	Preparatory work undertaken and title recently registered at Land Registry	Association formerly with Kingstown IE Allotment allocation review but not progressing now. Access. Possible joint approach but road improvements may be required. Deliverable	Opportunity for Mix Pvte Sector & Social Housing Inclusion in Kingstown / Parkhouse Future Management Options a possibility. Bring to the market for sale.

CATEGORY	PLAN REF	ME PLAN REF	ASSET					PLANNING OVERVIEW	NOS DWGS	GREEN SPACE COMMENTS	HOUSING COMMENTS	PROPERTY SERVICES ACTION / POSITION	CONSIDERATIONS & ISSUES	RECOMMENDED ACTION
			Name	Asset Category	Disposal Prog	Area Ha Acs	Use							
D	12	112	Land at Boundary Road/York Gardens	Investment	Disposal Prog	4.70 11.5	Open space	Designated in the Preferred Options Local Plan as open space. The deliverability of a scheme on this site restricts its inclusion in the Local Plan (due to previous landfill use). The adjacent County Council land is designated for education use associated with existing schools and further open space. There is longer term potential for a comprehensive scheme to be developed but would not at this time feature in the Local Plan.	94	The site is large and diverse, with an extensive area contaminated land on the site of a former tip. To the York Gardens side the land is relatively undisturbed and there are some sections of overgrown hedges providing cover for wildlife. At the Hassel Street side of the site is a City Council pigeon allotment site with 8 tenants.	Interest received from local Housing Associations, subject to contamination costs. New affordable development could potentially coincide with opportunity to upgrade Riverside's York Court sheltered scheme.	Preparatory work carried out including report on title and contamination. County have approached with 'offer' to transfer adjoining land free of charge to City. The feasibility and implications of this are being investigated with the County. Issues to examine around costs, contamination, access, title, restrictions, and constraints.	Joint opportunity with County. Part Primary Leisure Area. Contamination. May be scope to reconfigure site to retain some open space and allow for limited residential development.	Site for Social Housing. Bring forward longer term with County? Continue to investigate feasibility of County transfer of adjoining land into City ownership to consolidate land holding and extend scope of development potential and complimentary uses.
	13	103	Land at Beverley Rise, Harraby	Investment	Disposal Prog	2.15 5.30	Agricultural land	Allocated in the Preferred Options Local Plan for housing development (open market with a S106 contribution for affordable units).	64	No green space implications	Interest from local Housing Associations in delivering part of the site. Could have potential for 'Demonstration Project' with Carlisle College	Preparatory work undertaken including report on title and planning advice	Various potential access points. M6 buffer screening required. Deliverable.	Mixed Private Sector & Social Housing Disposal Programme sale. Bring forward to market in longer term unless earlier opportunity for sale arises.
	14	N/A	Land at Harraby Com Centre	Operational	No	2.92 7.21	Open space	Designated in the Preferred Options Local Plan as open space. This has not had a detailed separate assessment for the Local Plan but considered that there is no potential to develop this site and should be retained as open space.	88	The land adjacent to Harraby Community Centre is intensively used for sport and recreation, and it is our understanding that a drafting error resulted in it being identified as a housing site on the first draft local plan. We wish to see this site retained as a space for sport and recreation.	No comments	Initial plans prepared and deed numbers checked	Harraby Campus Project on adjoining land.	Latest planning status indicates there is no potential over site as a whole. No further actions remove from Disposal Programme. at this moment in time for reconsideration at a later date.

CATEGORY	PLAN REF	ME PLAN REF	ASSET					PLANNING OVERVIEW	NOS DWGS	GREEN SPACE COMMENTS	HOUSING COMMENTS	PROPERTY SERVICES ACTION / POSITION	CONSIDERATIONS & ISSUES	RECOMMENDED ACTION
			Name	Asset Category	Disposal Prog	Area Ha Acs	Use							
E	15	N/A	Land at Greta Ave	Operational	No	0.41 1.00	Former Allotment Vacant	Designated in the Preferred Options Local Plan as open space. The adjacent beck is recognised as a main river which requires an 8metre exclusion zone from development alongside the beck. Could be considered as a windfall site for small development if a scheme could be designed to overcome this.	8	<p>The disused allotment site to the west of Greta Avenue has previously been suggested as a potential housing site.</p> <p>There is no demand for allotments in this part of Carlisle.</p>	Interest from local Housing Associations, subject to flood risk assessment. Possible site for 'Demonstration Project' with Carlisle College. It is a narrow site, but Richard Majewicz (qualified architect previously employed in Planning Services) drew a layout showing it could be potentially be developed with a row of small cul-de-sacs.	Initial plans prepared and deed numbers checked	Scope for housing with limited access. Consider allotment status	Site for Social Housing but limited potential. Include in Disposal Programme.
	16	N/A	Land at Sewell Place, Currock	Operational	No	0.353 0.87	Former Allotment Vacant	Designated in the Preferred Options Local Plan as primary residential area. Any development potential is restricted unless new access can be achieved through existing housing neighbouring the site by removal of an existing dwelling. Any development would have to be designed to fit with distance standards which will limit potential.	7	This site is still in active use but only 2 of the plots are tenanted and the rest of the site is derelict. There is a question of its statutory allotment designation which would need to be resolved.	The access is through Riverside's estate, and this is not currently in their plans, as it is a small site, and opening up the site would require demolition of some existing properties.	initial plans prepared and deed numbers checked	Vacant Allotment. Access to overcome. Social Housing scope.	Site for Social Housing but potential limited. Include in Disposal Programme
	17	N/A	Currock Bowling Green	Operational	No	0.46 1.13	Former Bowling Green Vacant	Designated in the Preferred Options Local Plan as open space due to previous Bowling Green use. Recently planning permission given for youth community use of the building. Access restricted for development which would require removal of a neighbouring plot. The former allotment land to the north could be combined to create a larger development but would have to achieve layout standards which may restrict potential.	9	A derelict allotment site adjacent to a previous bowls club/green. While Currock is poorly provided with green space, those that do exist are often in a state of neglect and dereliction.	The only access, which is between Riverside properties, is too narrow for vehicular access. Demolition of some existing properties would therefore be required, so not currently a priority for Riverside.	Initial plans prepared and deed numbers checked. Lease granted to Currock Youth Project from 27/1/14 until 26/1/17	Vacant. Review designation. Access restricted, suited to Specialist Housing use? Or small scale open market scheme.	Pursue scope for limited housing. Site for Social Housing unless access can be provided. Include in Disposal Programme
	18	N/A	Hadrian's Gardens, Brampton Road	Operational	No	1.14 2.8	Open space	Designated in the Preferred Options Local Plan as white land which envisages no change. Initial assessment limits the use due to the existence of Hadrian's Wall to the north and a play area on site. Archaeological works and relocation of play area may allow limited potential for development but would not allocate the whole site for development.	22	Currently contains a children's play area which was identified as strategically important in the recent review. The space is also valuable for informal recreation and any development should be mitigated by laying out of viable public open space to provide opportunities for play and recreation	Interest form local Housing Associations. Riverside have a shared liability for the un-adopted carriageway. Proximity to Roman Wall & Vallum likely to increase archaeological costs.	Brampton Rd - initial plans prepared and deed numbers checked	Amenity land. Outside Urban boundary. Access limitations.	Pursue limited scope for Social Housing or Self Build or other specialist needs. Include in Disposal Programme

LEGEND:	Category A	No Prospect Housing Development
	B	Ripe for Sale & Development
	C	Strong Possibility for Development Short Term
	D	Longer Term Opportunities
	E	Miscellaneous Housing Sites

EXCERPT FROM THE MINUTES OF THE CITY COUNCIL MEETING HELD ON 7 JANUARY 2014

C.18/14 PROPOSALS FROM THE EXECUTIVE IN RELATION TO THE COUNCIL'S BUDGET AND POLICY FRAMEWORK

(i) EX.121/13 and EX.158/13 – Asset Review Business Plan – Refresh of Disposal Programme

Pursuant to Minute EX.121/13 and EX.158/13, there was submitted Report RD.67/13 (and relevant Minute Extracts) concerning a recommendation from the Executive that the Asset Review Business Plan – Refresh of Disposal Programme be approved and adopted as part of the Council's Policy Framework.

Councillor Boaden indicated that he was seeking reference back of the decision under Minute EX.158/13 – Asset Review Business Plan – Refresh of Disposal Programme. Firstly, however, he wished to congratulate the Portfolio Holder, the Executive and Officers for all the excellent work undertaken over the past eighteen months on the disposal programme.

Councillor Boaden made reference to page 5 of the Report (Appendix 5) and the recent trawl of operational property, commenting that it appeared that some of the areas of land included (within the Council's ownership) required further very careful consideration prior to the Council moving to the next stage of the process. He added that the list at Appendix 5 needed to be looked at and elected Ward Members involved in discussions at an early stage.

Councillor Boaden then moved and Councillor Bell seconded reference back of the decision to the Executive.

RESOLVED - That the motion of Councillor Boaden that the decision under Minute EX.158/13 – Asset Review Business Plan – Refresh of Disposal Programme be referred back to the Executive for further consideration be **AGREED**.

EXCERPT FROM THE MINUTES OF THE EXECUTIVE HELD ON 21 JULY 2014

**EX.66/14 ASSET REVIEW BUSINESS PLAN – REFRESH OF DISPOSAL
PROGRAMME**
(Key Decision – KD.06/14)

Portfolio Finance, Governance and Resources

Relevant Overview and Scrutiny Panel Resources

Subject Matter

The Finance, Governance and Resources Portfolio Holder introduced this item of business stating that the City Council had, on 7 January 2014 (Minute C.18/14(i)) considered Report RD.67/13 concerning the Asset Review Business Plan – Refresh of Disposal Programme. The Council had resolved “That the motion of Councillor Boaden that the decision under Minute EX.158/13 – Asset Review Business Plan – Refresh of Disposal Programme be referred back to the Executive for further consideration be AGREED.”

The Portfolio Holder reminded Members (GD.30/14) that Officers had, in discussion with Portfolio Holders, undertaken a review of the Disposal Programme, stocktaking the current position in the light of progress, changing circumstances and the emerging priorities of the Carlisle Plan 2013-2016 to address future housing needs.

The Disposal Monitoring Schedule (attached at Appendix 1) set out the current position and work in progress for each of the original 51 assets earmarked for disposal. Also shown (for those assets where sales had been completed) were the target receipts and actual outcomes; the impact on rental income and lease numbers; and the cost to date of realising sales.

The Finance, Governance and Resources Portfolio Holder summarised the overall position to date in terms of disposals, acquisitions and the impact on the estate and rental income. The cost to date of realising sales including marketing, agency fees and ancillary disbursements amounted to circa £141k which at 2% of gross receipts was within budget targets.

He emphasised that a significant part of the Business Plan delivery, and the re-engineering of the Council's portfolio, hinged on the release and disposal of the latent value in the Council's retail and residential assets at Morton. There was a risk that delays in the disposal of that asset would have a substantial impact on the disposal programme, the capital reinvestment plans and revenue position of the Council. That had been recognised and identified on the Council's Corporate Risk Register and budgetary plans, and was being carefully monitored.

Turning to the matter of housing priorities, the Finance, Governance and Resources Portfolio Holder explained that the Carlisle Plan 2013-16 identified the delivery of housing as a priority action for the Council going forward. A number of sites earmarked for disposal in the original Disposal Programme (10 in total) had the potential, subject to market demand and planning, to deliver residential development opportunities in the short to medium and longer term. That could be through the private sector, Registered Providers, a mix of both or bespoke initiatives such as self build schemes.

Additionally a recent trawl of the operational and investment portfolio had been undertaken to identify any vacant land or assets which may become surplus to requirements in the future and merit consideration for inclusion in the Disposal Programme as a 2nd phase of asset sales which may also be suitable for release for housing development land. That sift had resulted in a further 8 assets being identified for inclusion in the Disposal Programme, shown listed within the Disposal Monitoring Schedule Appendix 1 as “Phase 2”, which could be brought forward and prioritised as opportunities arose in accordance with their capacity to generate additional capital receipts.

Bringing forward land for residential development for sale in the market place was commonly a resource intensive and time consuming exercise. Much depended upon the planning situation, whether there was a current housing allocation, the prospect if at all for a future allocation and, if that could be realised, whether the timescale was in the short, medium or longer term.

The suitability of the 18 assets in the original Disposal Programme and “Phase 2” to deliver future housing needs had been assessed through a desk top appraisal by Planning, Housing and Property Officers. Site locations for all the assets involved were shown on the Plan, attached to the Report as Appendix 2, edged in red and coloured green. Land shaded light pink on the Plan highlighted the relationship of those sites with other land in Council ownership.

The desktop evaluation had looked at the pertinent issues most likely to influence the ability to deliver land for residential development including inter alia current use and occupation, planning, site conditions and constraints, end users, value and market demand, and timescales. The conclusions from the exercise had been re evaluated in the light of current circumstances and Member consultations, and were tabled together and presented in Appendix 5 to the Executive for comment with a proposed recommendation in terms of disposal strategy and a potential pipeline delivery programme.

The Finance, Governance and Resources Portfolio Holder then outlined the Disposal Programme going forward highlighting, in particular, the Schedules attached at Appendices 3, 4 and 5 to the report.

He added that, in response to the Council resolution, Officers had now reviewed the proposed outputs, making some minor changes to the Plan, and the Executive was invited to reconsider the matter before referring the report to full Council for adoption.

The Portfolio Holder and the Leader thanked the Property Services Team for their excellent work in refreshing the disposal programme.

In conclusion, the Finance Governance and Resources Portfolio Holder moved the recommendation as set out in the report.

Summary of options rejected None

DECISION

That the Executive:

1. Noted the current position and progress with the Disposal Programme as set out in Report GD.30/14.
2. Had considered the proposed changes to the Disposal Programme and the plans to bring forward potential housing development sites to meet the priorities of the Carlisle Plan and address future housing needs, before passing the Report to full Council for adoption.

Reasons for Decision

To more effectively manage the Council's assets in pursuit of wider strategic and budgetary objectives, and bring forward land for development to meet the goals of the Carlisle Plan to address housing needs

Report to Council

Agenda
Item:

17(iii)

Meeting Date: 9 September 2014
Portfolio: Finance, Governance and Resources
Key Decision: Yes: Recorded in the Notice Ref:KD14/14
Within Policy and Budget Framework YES
Public / Private Public

Title: MTFP 2015/16 TO 2019/20
Report of: DIRECTOR OF RESOURCES
Report Number: RD18/14

Purpose / Summary:

The Medium Term Financial Plan sets out the current framework for planning and managing the Council's financial resources, to develop its annual budget strategy and update its current five year financial plan. The Plan links the key aims and objectives of the Council, as contained in the Carlisle Plan, to the availability of resources, enabling the Council to prioritise the allocation of resources to best meet its overall aims and objectives. The MTFP will inform the budget process and will be updated for changes when known. The Medium term Financial Plan has been considered by the Executive and the Resources Overview and Scrutiny Panel.

Recommendations:

The Council is asked to approve the Medium Term Financial Plan for the period 2015/16 to 2019/20.

Tracking

Executive:	21 July 2014
Overview and Scrutiny:	7 August 2014
Executive:	18 August 2014
Council:	9 September 2014



CARLISLE CITY COUNCIL

MEDIUM TERM FINANCIAL PLAN

2015/16 to 2019/20

SEPTEMBER 2014

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Appendices

A – Financial Projections

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C – Subjective Analysis of Forecast Gross Budget

D – Corporate Charging Policy

E – Council Policy on the Level and Use of Reserves

F – City Council Reserves Projections

G – Risk Assessment

POLICY AND CONTEXT

1.1 Purpose

The Medium Term Financial Plan (MTFP) provides the corporate financial planning framework to provide strategic direction to the Council for the next five years and to ensure that the financial resources of the Council are directed to achieving the Council's key corporate priorities. The objectives of the MTFP are to:

- Guide the integration of financial planning with the priorities set out in the Carlisle Plan to ensure that spending decisions contribute to the achievement of the Council's priorities,
- Guide and be informed by Directorate and other relevant strategies and plans of the authority, which set out how resources will deliver the outcomes and priorities specified in the Carlisle Plan,
- Forecast a minimum five -year corporate and financial planning horizon, with longer periods developed where necessary,
- Manage performance management and decision making procedures to help achieve the best use of available resources,
- Consider the implications of the use of financial resources on the levels of Council Tax and other Council charges.
- Review the policy over the level of reserves held by the Council,
- Set out processes to monitor and evaluate proposed and actual spending to ensure that value for money is obtained.

The overarching policy guidelines of the MTFP are that resources will be redirected to Council priorities via the budget process within the overall caveats that: -

- Redirection of resources towards areas of high priority will be contained within existing budgets, unless increases can be justified and funded through the budget process.
- Council Tax increases will be limited to fair and reasonable levels, taking account of national guidance from Government
- External grants and income will be maximised wherever possible to mitigate the effects of budget increases.
- Partnership working and funding opportunities will be explored wherever feasible.
- The projected budget deficits in later years will be addressed by the approved Savings Strategy

1.2 Government Policies

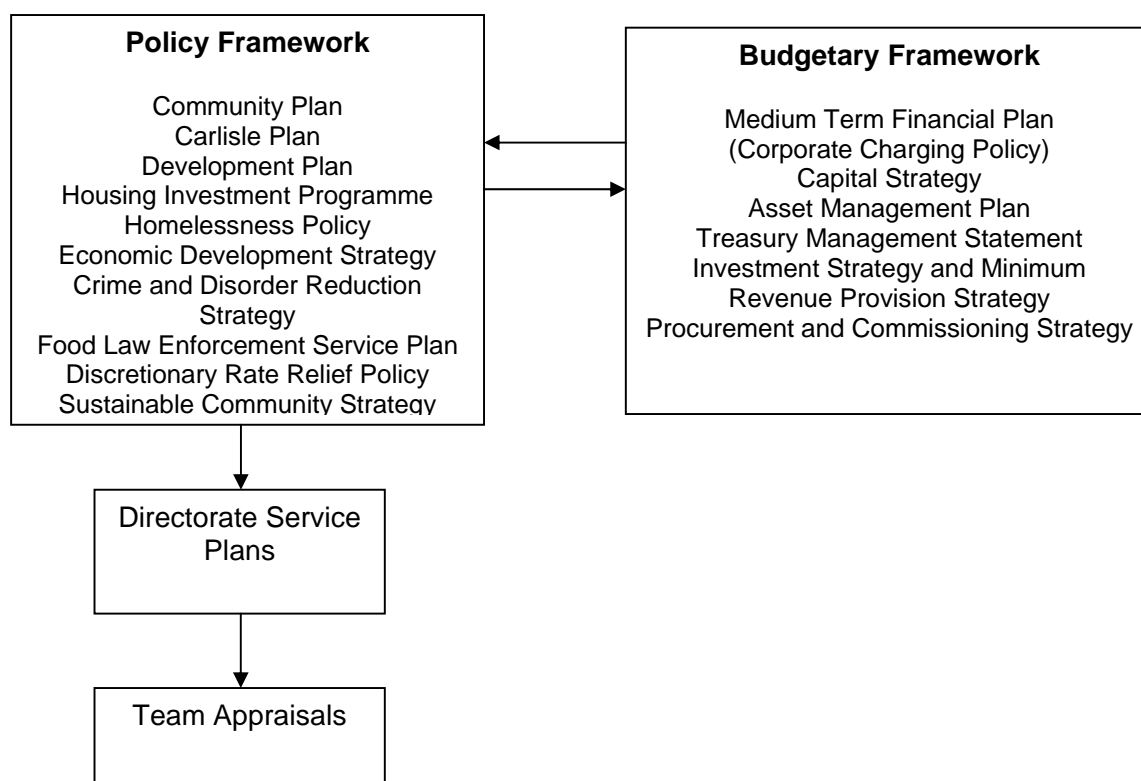
Nationally, the Government sets out policy which can result locally in the Council having to provide additional resources to meet nationally set targets, often without corresponding increases in grant assistance. Some initiatives do receive grant assistance, but for a limited period only, resulting in spending pressures for the Council when grant stops and the service needs to be maintained. This situation can only be resolved by the Council absorbing these new policy initiatives and meeting the cost from redirection of existing resources.

1.3 The Council's approach to corporate planning

The council has a corporate plan (Carlisle Plan) that is reviewed annually to take account of emerging issues. The plan is developed through consultation with stakeholders; it presents the key actions for the Council and likely outcomes for communities.

The Carlisle Plan forms part of the Policy and Budgetary Framework for the Council. These frameworks work together to create the strategic framework.

The following diagram illustrates the relationships between the Policy and Budgetary Frameworks.



Community Plan

The community plan is 'owned' by the Carlisle Partnership (our Local Strategic Partnership). It reflects and develops the aspirations of the communities of Carlisle and provides a strategic context for the partnership activities of all members of the LSP. For the City Council it is particularly important that the Corporate Plan enables delivery of the Community Plan; there must be congruence between the strategic objectives of both plans.

The communities of Carlisle are consulted and involved in the development of the Community Plan. This Community Plan helps to inform the strategic thinking of partner organisations.

The LSP's Community and Council's Corporate Planning process informs and supports the strategy of the Cumbria Strategic Partnership.

Directorate Service Plans

The primary purpose of a Service Plan is to provide a link between the resources used to deliver services and the delivery of agreed outputs. Service Plans are inextricably linked to each Directorate's budget.

Service Plans develop the key actions of the Carlisle Plan into detailed activities for Directorates and provide a framework for their financial, performance and risk management.

Other Council Strategies, Plans and Policies

The MTFP takes account of other Council Plans and Strategies of the Council, which have a potential impact on the use of resources by the Council. Particularly consideration is given to the following key strategies: -

- The Capital Strategy, which provides information on the proposed level of investment in capital projects and the consequent impact on the revenue budget.
- The Treasury Management Strategy Statement, Investment Strategy and Minimum Revenue Provision Strategy, which sets out the assumptions for financing requirements and interest rates and their effect on the revenue budget.
- The Asset Management Plan, which provides forecasts of necessary investment in the Council's land and property portfolio.
- The Procurement and Commissioning Strategy
- Local Plan/Local Development Framework.
- The Organisational Development Plan, which highlights the need for a thorough review of the Council's staffing needs and skill levels to ensure that the Council improves its performance to deliver excellent services to the local community in the future.
- There are also a number of strategies, which set out policy direction for key Council priority areas, and these include the Economic Strategy, and Housing Investment Programme.

1.4 Budget Priorities and Budget Allocations

Financial resources and performance are linked to the existing Council priorities; work has commenced on providing links to the revised priorities as set in paragraph 1.3 above, in terms of determining service objectives for each priority. The aim of this process is to see if the Council's budget is being used to best effect, and in accordance with priorities, and identify where additional resources may be required to improve performance and to achieve the Council's future aspirations in accordance with the transformation process. Conversely it may also be possible to reallocate resources from services which are not performing satisfactorily, and which may also be of a lower priority, to high priority areas which need greater support.

1.5 Performance Review

This process allows outturn expenditure and outcomes to be measured against budgeted expenditure and targets.

Currently, out-turn expenditure is measured against budgeted expenditure as part of the final accounts process and outcomes are measured against targets via the performance management framework. Financial data continues to be recorded on the Council's performance monitoring system, Covalent. The quarterly budget and performance monitoring reports are considered by Officers and Members to monitor progress throughout the year.

The integration of performance and financial information has been vital to the development of Value for Money profiles. These profiles are being used to challenge the current service delivery models as we interrogate the costs and outcomes associated with our services.

FORECASTING RESOURCES AND COMMITMENTS

Forecasting is the mechanism by which the Council obtains a firm indication of the level of funding available in future years and matches this to known and anticipated commitments.

2.1 Current Budget Forecast

The Council has well established mechanisms in place for forecasting resources and expenditure commitments over a five-year planning period. Projections will inevitably change over the period of the plan and will be kept under review. Factors affecting the assumptions made are set out in further detail in the MTFP.

The Council approved the current forecast for the period 2014/15 to 2018/19 on 4 February 2014 and this is shown in Appendices A to C as follows:

- Appendix A** – Summarises the net budget for the five years (£13.090million for 2014/15) approved for Council Tax Purposes by Council on 4 February and provides a forecast to financial year 2018/19. Indicative figures have also been included for 2019/20.
- Appendix B** – Provides an indicative forecast of how the projected gross budget (£59.963million in 2014/15) will be financed over the same period.
- Appendix C** – Analyses the Gross budget over main spending headings (only for 2014/15 as future years are not available).

2.2 Budget Surplus/Deficit Forecast

The current medium term financial projections indicate adequate Council reserves from 2014/15 due to the outcomes of the transformation process.

The amount approved by Council in February 2014 as part of the budget process, to be taken from/added to Council Reserves to support Council spending, updated by the outturn report approved in June and other adjustments approved to date, is set out in the Table below:

Year	Recurring Commitments (Surplus) £000	Non-Recurring Commitments £000	Carry Forwards £000	Total (Contribution From / (to) Reserves) £000
2014/15	86	(197)	787	676
2015/16	(1,000)	(106)	0	(1,106)
2016/17	(44)	0	0	(44)
2017/18	(138)	0	0	(138)
2018/19	128	0	0	128
2019/20	841	0	0	841

In order to address the forecast budget deficit position the Council has embarked upon a significant programme of service reviews, incorporated in the transformation agenda, to mitigate the impact on Council reserves.

There are remaining risks to the budget as set out in the budget resolution particularly in achieving the savings proposals approved. As in previous years, additional savings will need to be identified both to meet the projected shortfall and new budget pressures and also to continue support for initiatives and redirect resources to priority areas as well as increasing reserves to their minimum levels (£2.6million). The savings strategy is set out in more detail below and will ensure that in the medium term the Council complies with its policy of not meeting recurring expenditure from Council Reserves.

2.3 Efficiency and Savings Strategy

A strategy to identify recurring budget savings and service efficiencies was approved by Council on 4 February 2014 as part of the budget resolution. The strategy will deliver savings and efficiencies for the 2014/15 budget and will concentrate on the following areas:

Description	2014/15 £000	2015/16 £000	2016/17 £000	2017/18 £000	2018/19 £000
Additional Savings to be found	1,000*	1,839	0	1,100	1,000

* Non Recurring

The 2014/15 budget indicated that the additional savings to be found will concentrate on the following areas to deliver the savings required to produce a balanced longer term budget, however, the exact work programme will be dependent on progress with the Transformation Programme.

- Asset Review – this will focus on producing a Development and Investment Plan for the City Council's property portfolio with the aim of delivering additional income or reduced costs on a recurring basis.

- Service Delivery Models – As part of the transformation programme, alternative options for service delivery will be considered in order to make significant financial savings whilst still delivering good standards of service. The options under consideration will include shared services and commissioning of services.
- As part of the transformation programme a review of those services which do not fall within the Council's core priorities or which are not statutory will be undertaken to ensure that services are properly aligned to what the Council wants to achieve.

2.4 Significant Budget Issues

A number of high impact pressures on the Council's budgets have been identified and these are shown below. The impact of these potential revisions (some positive) will be further analysed and reported throughout the budget process and revisions made to current budget deficit projections as required:

- Government Grant Reductions (Further 10% from 2015/16)
- Revised Transformation targets
- Capital Programme - longer term priorities and revenue implications especially Vehicle Replacements
- Shortfalls in income from Lanes and other Sources, e.g. Car Parking and Planning Fees, including treasury management
- New Homes Bonus grant being merged with RSG from 2015/16
- Effect of Localisation of Council Tax Benefit Grant and Business Rates Retention
- Implementation of the Universal credit

2.5 The Capital Strategy

At the same time as the revenue budget is approved in February each year, the Council also approves its capital programme. The proposals for capital investment, together with the level of resources available to support the programme, are contained within the **Capital Strategy**, which provides guidance on the Council's Capital Programme and use of capital resources.

There are links between the capital programme and the revenue budget, as capital projects very often result in revenue costs e.g. to provide running costs for new facilities. These costs are reflected in the existing budget of the Council.

2.6 Sensitivity Analysis

2.6.1 Financial Impact

The MTFP makes a series of forecasts about the future financial requirements of the Council. This is inherently a risky business and there will inevitably be some variations from these forecasts as time passes by. The following table assesses the potential cost or benefit of a variation of 1% in the major costs and income contained within the Plan.

Description	Base for Calculation £000	1% Variance £000
Pay Awards	17,172	172
Council Tax	(5,999)	(60)
General Inflation (currently 2.8%)	10,366	104
Income from Fees and Charges & Receipts	(11,532)	(115)
Investment Interest - Movement in Rates	(20,000)	(200)

2.6.2 Population Impact

The resources of the Council are also affected by the demands of its customers. Over the next few years the population of the Council area is expected to grow by 0.1% per annum. The Council will therefore be expected to provide additional services to meet the needs of its growing/ageing population.

In 2014/15 the cost of providing Council services equates to a cost per head of population of £121.76, based on a population forecast of 107,500. A 1% increase in the Council's population would broadly equate to a further £130,900 needed to be raised to provide Council services at existing levels, which would equate to an increase in Council Tax of £5.54.

EXTERNAL FACTORS INFLUENCING THE MTFP

3.1 Economic Factors

3.1.1 State of the Economy

The measures announced by the Government to reduce the amount of Public Spending and to reduce the Country's structural deficit will continue to play a pivotal role in determining how much the economy grows over the coming years. Whilst economic growth in Carlisle remains flat, the Council may find it will be difficult to increase income levels e.g. Car Park income. Treasury Management income will also be limited whilst interest rates remain low, and the available institutions with which the Council can invest with diminishes due to reductions in banking credit ratings. The impact of increased costs is detailed in the sensitivity analysis section of the MTFP. The effects on the MTFP of any changes to the state of the Economy will need to be closely monitored in the short term in order to react effectively to changing situations. The MTFP currently assumes that the economy will show signs of recovery from 2015/16, with income projections increasing. However, if this does not occur as expected, further pressures may be placed on the revenue budget to meet any ongoing shortfalls.

3.1.2 Inflation

Inflation levels as at May 2014 were 1.5% for CPI (Consumer Price Index) and 2.4% for RPI (Retail Price Index).

As far as the City Council is concerned, inflation adds to the pressure on its finances if pay settlements and other costs exceed the estimates incorporated in the Council's budget. The Government has announced in the Budget and Spending Review that there will be a Public Sector pay freeze for two further years. It is anticipated that local government pay will mirror national public sector positions. The current MTFP includes pay award increases of 1.0% in 2014/15 and 2015/16 and 2.5% thereafter. If any pay award is lower than these forecasts then the amount can be factored into the MTFP as potential savings, offsetting any additional cost pressures.

In terms of treasury management, the Council's borrowing costs are fixed until 2020 due to the long term fixed rate nature of its current external loans. Investment income is more related to movements in the base rate and other short term interest rates. Raising such rates is seen as one of the primary means of controlling inflation and the Monetary Policy Committee's primary remit is to control inflation. The base rate is at 0.5% and investment rates are now not far above this level meaning that investment income is significantly below that of previous years and is likely to remain so for some time to come. The Councils record over the past couple of years whilst interest rates have been so low has been good, however, now that banks have lowered their investment rates due to quantitative easing, average yields achieved by the Council have fallen to around 0.8%. The Council takes a managed view of the exposure to risk associated with obtaining this level of return and seeks to ensure that its investments are in line with the policies set out in the Treasury Management Strategy Statement.

The MTFP assumes that inflation is applied to expenditure at 2.8% and income from fees and charges is inflated by 3.8%. The overall cash increase included in the Medium Term Financial Plan is £795,000 and this has to cover pay award increases, expenditure increases (including contractual) and income increases. With current inflation being at 1.5%, there may be scope to reduce the increases to expenditure and income in the budget process. There have been difficulties in applying a 3.8% increase to income generated from Car Parking in the past and it is recommended that this income stream be dealt with separately and excluded from the standard

3.8% year on year increase. All inflationary pressures should be contained within the cash resource allocated for inflation.

3.2 Government Policies and Initiatives

3.2.1 Government Spending Review and Local Government Finance Settlement

Spending Review

The overall amount available for distribution to Local Government is determined by the Government's Spending Review, in which the Government decides how much it can afford to spend, reviews its expenditure priorities and sets targets for improvement.

For 2014/15 onwards reductions in Formula Grant have been included that see the grant received by the Council reduce. The Spending Review in June 2013 indicated that Local Government funding in 2015/16 would reduce by a further 10%. Any further reductions to the levels currently included in the MTFP will be additional pressures that will need to be funded by the Council. Further reductions in formula grant funding are anticipated in future years. From 2015/16, the Government has announced that New Homes Bonus will be subsumed within Revenue Support Grant.

	RSG £000
2014/15	3,108
2015/16	2,269
2016/17	2,277
2017/18	2,182
2018/19	2,083

The current assumptions for population and Council Taxbase are set out below. (The Taxbase relates to the equivalent number of Band D properties in the area)

	2015/16	2016/17	2017/18	2018/19	2019/20
Taxbase - Council Calculation for Tax Setting (0.279% growth)	31,100.82	31,187.59	31,274.60	31,361.86	31,449.36
Population - RSG Settlement*	107,500	107,500	107,500	107,500	107,500

* Population figures are shown based on those used for the RSG settlement. Population growth figures highlighted at paragraph 2.6.2 may adjust these estimates once new RSG settlements are announced.

The Council taxbase (equivalent number of Band D properties) for tax setting purposes takes into account growth in taxbase during the year, reduced second homes discount and losses on collection (1.5%). If the actual growth in the taxbase, or council tax collected during the year, is higher or lower than predicted, the resulting effect on the Council Tax income is adjusted as part of the Council Tax surplus/deficit calculation undertaken annually on January 15th, and adjusted in the following year's Council Tax.

3.2.2 Council Tax

Council Tax for 2014/15 continued to be maintained at 2010/11 levels through assistance received from Government and use of Council resources.

The Council's policy on taxation levels is that these should be set wherever possible at fair and reasonable levels and that the Council Taxpayer should not automatically bear the largest burden for any additional spending that may be required by the authority. This policy was set following the extensive budget consultation exercise undertaken as part of the 2004/05 budget process.

The City Council has been successful in avoiding a Council tax increase for 2014/15. For planning purposes the figures included in the Medium term Financial Plan assumes no annual increase in Council Tax for 2015/16 then 1.99% thereafter. This will however be subject to review during the annual budget process, and will be particularly dependent on annual Government funding levels and future spending pressures. A 1% change in the level of council tax will impact on the budget by £67,000. (i.e. £133,000 per annum based on 1.99% MTFP profile).

3.2.3 Local Government Finance

There have been significant changes in the allocation of Local Government funding for 2014/15 that could have significant implications in future years.

Council Tax Benefits Localisation

The localisation of Council Tax Benefit has seen reductions in the amounts awarded to individual authorities for the provision of Council Tax benefit to residents. The Council chose to absorb the reduction in funding as part of its 2013/14 budget process, however, any significant deviation in Council Tax Benefit claims from those initially estimated could increase the impact of this funding reduction on the Council

Localisation of Business Rates

The Council is now operating under the Localisation of Business Rates scheme whereby it has the opportunity to keep a proportion of growth in the Business Rate income generated in the area. The Government set a baseline figure as part of the 2014/15 formula funding settlement, and any growth over this level is shared 50/50 between central government and local government (City Council share is 40% and County Council share is 10%).

The Council joined the Cumbria Business Rates Pool for 2014/15 in order to achieve benefits of working together with the County Council and other Cumbrian Districts (excluding Copeland) to help retain more business rates in the area. Decisions on whether to remain within the pool are to be taken annually.

3.2.4 Specific Grants

Income from Specific Grants meets over 50% of the Council's spending. The bulk of this is in respect of grants to meet rent allowances, which meets nearly 100% of the total cost of providing these benefits by the Council.

Maximising income from grants and external funding sources continues to be a key priority for the Council. The difficulty with some specific grants however is that they can be time-limited with the amount granted often difficult to predict and plan for. Often when grants are reduced, this results

in either a bid for additional funding through the budget process to preserve services or the need for further savings being identified to cover the loss of grant.

For the purposes of the MTFP, where changes to grant regimes and external funding are known, these have been incorporated into the financial projections. The potential for further changes is recognised in the risk assessment attached to the Plan. Details on some of the major grant streams is shown below:

Welfare Bill including Housing Benefits

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 these benefits, with Council Tax benefit likely to be set under local parameters (as highlighted above) and housing benefit absorbed into DWP Universal Credit arrangements (staggered between 2013 and 2017).

Housing Benefit Admin Grant is likely to reduce over the life of the MTFP and reductions were built into the budget process for 2014/15 to try and mitigate the effect of this, however, further reductions will occur with the downsizing of housing benefit administration.

3.2.5 Other Government Initiatives

Housing

Grants for specific Housing related services have reduced significantly. Support for Disabled Facilities Grants is included at £663,000 from Central Government for 2014/15 onwards, and the Council approved an additional £200,000 per annum included funded by Council resources to support DFG's.

New Homes Bonus

The Government announced as part of its Comprehensive Spending Review in 2010 that there would be additional funding provided based on the level of anticipated New Homes to be built or existing homes brought back into use within a Local Authority Area. The amount would be based on the amount of additional Council Tax that would be generated from the New Homes and would be available for a period of 6 years. The Council received £243,000 in 2011/12, £408,000 in 2012/13, £388,000 for 2013/14 and a further £269,000 for 2014/15 and 2015/16.

Future allocations of New Homes Bonus will be amalgamated into the total funding received through Revenue Support Grant.

3.4 Minimum Revenue Provision (MRP)

The MRP represents a provision that the Council must make to fund the repayment of external debt. As capital cash is utilised in providing the Councils capital programme the MRP is rising each year. This factor is also incorporated within the MTFP forecasts within overall Treasury Management costs. The Council will continually review its MRP Strategy and choose the option for charging MRP that is most beneficial at that particular time.

Any future capital projects will need to be evaluated for their effects on potential MRP charges either through the continued use of capital receipts or through prudential borrowing.

INTERNALLY DETERMINED FACTORS INFLUENCING THE MTFP

4.1 Inflation

Taking into account current economic forecasts the Council has to make assumptions on the level of inflation to be included in the forward projections within the MTFP. The measure to be used for inflation in the MTFP is CPI (i.e. excluding housing costs) and this is currently running at 1.5%.

There is an inevitable degree of uncertainty surrounding inflation projections. However, for the five-year period under review, a CPI inflation rate of 2.8% has currently been assumed. It is anticipated that as part of the budget process that the level of inflation built into the Medium Term Financial Plan can be reviewed to see if inflation is required to be applied to all items of expenditure and whether different rates can be used for different items.

Individual spending heads have also had different inflation projections attached and these are detailed further below.

4.1.1 Pay Costs

In 2014/15, the Council is expecting to spend £17.1million on employee related costs and this represents approximately 60% of the cost of running the Council, excluding the cost of housing benefits.

Changes to pay costs will have the single biggest impact on the Council's budget. To offset the natural increases in pay costs, the Council has approved a policy to include a saving in its budget to reflect staff turnover.

The forecasts in the MTFP for pay costs have been calculated using the following assumptions: -

- A provision for basic pay increase of 1.0% p.a. for 2014/15 and 2015/16 then 2.5% p.a. thereafter.
- The cost of increments is now considered to be minimal due to low staff turnover levels and the majority of staff having now progressed to the top of their grade.
- Staff turnover will remain at around 3% of gross salaries. The budget provision for 2014/15 has been set at £412,500.

4.1.2 General Inflation

The Council applies a policy of applying a general inflation increase to all running costs in its budget. The inflationary increase for the 5 years of the MTFP is based on the annual Consumer Price Index, which is currently running at 1.5% per annum (May 2014), although the current MTFP still assumes an inflation rate of 2.8%. An exercise is carried out as part of the budget cycle to examine the level of inflation that needs to be applied to different types of expenditure. Inflation forecasts are expected to be above 2% over the period of the MTFP. A 1% movement in the inflation rate would currently equate to £104,000 if applied to all general supplies and services expenditure

4.1.4 Investment Income

Treasury management is a field that has its own dynamics many of which, most obviously the level of short-term interest rates, are outside the control of local authorities. Projections of interest rates and investment income yields accruing to the City Council must always be viewed in this context.

When the budget for investment income in 2014/15 was set last autumn, it was based upon achieving an estimated average yield of 1.0% which reflected the benefit of investments placed in Government backed banks. Bank base rates continue to be held at 0.5% while actual money market yields from new investments are currently running at 0.8-0.95%. The latest forecasts of interest rate movements provided by our treasury management consultants, Sector, indicate base rates will remain at this level throughout most of 2014/15 and only starting to climb into 2015 although such a forecast must be viewed with caution. These movements will affect the interest returns earned by the Council quite significantly. As in previous years, these projections are subject to regular review and amendment in the light of money market conditions.

The achievement of levels of investment income is dependent not only on interest rates but also on the authority's anticipated pattern of cash flow. Taking account of both these factors, the estimated investment income built into the current MTFP, are as follows:

	Average Rate Expected	Average Balance £	Current MTFP £
2014/15	1.00%	22,609,200	226,092
2015/16	1.00%	23,763,300	237,633
2016/17	1.38%	22,044,783	304,218
2017/18	1.88%	19,257,660	362,044
2018/19	2.50%	17,318,800	432,970
2019/20	3.50%	15,878,800	555,758

The availability of investment interest rates over 1% for 12 month investments is now very much a rarity and this will have a significant impact upon the investment returns currently included in the MTFP and could lead to significant budgetary pressures. The interest assumed to be achieved above includes interest from the investment of £15million of capital receipts from the sale of assets not reinvested in new assets but invested in the money market instead.

The Council approved the use of a longer term investment in a Property Fund that will enable the Council to make better returns.

These projections are reviewed on a quarterly basis in the context of both money market conditions and anticipated cash flow.

As well as interest rates, the biggest contributing factor to Treasury Management costs is MRP, and as capital balances are diminished, MRP will continue to rise, unless new capital receipts can be generated.

4.2 Spending Pressures and Savings

As part of its budget process, service departments are required to identify high priority spending pressures and identify savings to meet those pressures. These proposals are then subjected to a detailed appraisal process and those approved are included in the forthcoming year's budget.

There was a detailed benchmarking exercise carried out in 2013/14 to identify areas where the Council is spending more or less than its historic cities counterparts. This exercise is being used to inform the savings process for 2014/15 onwards.

Details of all spending pressures and savings affecting services in 2014/15 are shown in detail in the budget resolution and are summarised below:

	2014/15 Original £000	2014/15 Revised £000	2015/16 £000	2016/17 £000	2017/18 £000	2018/19 £000	2019/20 £000
Recurring Spending Pressures	1,492	1,492	1,924	2,385	2,602	3,165	3,165
Recurring Spending Reductions	(426)	(426)	(2,195)	(2,485)	(3,597)	(4,609)	(1,340)
Non-Recurring Spending/(Saving)	1,066	1,066	(271)	(100)	(995)	(1,444)	1,825
Non-Recurring Pressures							
- Existing	179	0	0	0	0	0	0
- New	1,016	1,016	122	0	0	0	0
Carry Forward Requests	0	787	0	0	0	0	0
Use of Reserves	0	0	0	0	0	0	0
Non Recurring Reductions	(1,392)	(1,392)	(228)	0	0	0	0
Net Non-Recurring Spending/(Saving)	(197)	411	(106)	0	0	0	0

These proposals form the basis of the 5-year projections contained within the MTFP. As can be seen from the table above, the Council has been successful in identifying recurring savings to redirect to priority spending areas.

4.3 Asset Management

The Council is required to draw up an Asset Management Plan (AMP) to ensure that the Council's property is maintained in a good condition, is suitable for purpose and that sufficient resources are available to meet maintenance costs. The AMP recognised a maintenance backlog of some £2.8 million. The level of repairs and maintenance in the Council's budget is subject to an annual repair and maintenance programme with bids for structural maintenance and disabled adaptations included within the capital programme.

4.4 Income

The City Council's revenue budget is heavily dependent on the income it generates, with 20% of the gross budget coming from this source. The main areas are:

4.4.1 Fees and Charges for Services

Fees and Charges for individual services generate in the region of £5m p.a. for the City Council. **Appendix D** sets out the Council's approach to the reviewing and setting of fees and charges on an annual basis. The overall aim is to increase the proportion of income raised from users of

discretionary services to ensure that they meet the full cost of these services, rather than the costs falling on Council Taxpayers in general. In the past the income target has been set at 1% above the inflation rate, however the revised guidance strengthens the recognition that there will be different priority objectives for each income area and that for some areas maximising income may not be the key priority. Each charges review undertaken as part of the budget process must clearly set out the overall policy objective. In the past two years, increases in charges have not always resulted in expected income yields and projections are monitored carefully. Nevertheless the current MTFP assumes an overall increase in income from fees and charges of 3.8% p.a.

- 4.4.2 Significant Income Streams – further actions will need to be taken to account for the areas where income continues to be generated at less than the budget. The 2013/14 Charges Review will further consider this issue.

	2011/12 Actual £	2012/13 Actual £	2013/14 Actual £	2014/15 Budget £
Cemeteries & Crematorium	1,067,541	1,145,021	1,141,499	1,125,100
Development Control	589,762	589,762	658,978	521,500
Building Control	259,469	278,615	297,459	331,800
Land Charges	153,730	156,025	169,557	165,700
Parking	1,236,682	1,107,563	1,072,536	1,299,200
Total	3,329,616	3,132,129	3,462,100	3,443,300

The income from **Parking** has been declining steadily over the past few years, and steps were taken to reduce the income targets. Over the past few years, car parking income has failed to achieve a 3.8% increase in income generated. It is therefore recommended to deal with the position on car parking income separately to the normal inflationary provision and remove the requirement for car parking inflation to be uplifted by 3.8%.

4.4.3 Property Rentals

Income received from property rentals is in the region of £4.5 million per annum. The Council has established an Asset Disposal Reserve for its property portfolio to ensure that the quality of its industrial estates and other commercial properties is maintained, thereby preserving the level of income generated by these assets.

The forecast yield from property rentals over the period 2014/15 to 2018/19 and included in the MTFP is shown in the following table: -

Description	2014/15 £000	2015/16 £000	2016/17 £000	2017/18 £000	2018/19 £000
The Lanes (See Paragraph below)	1,383	1,521	1,521	1,521	1,521
The Market	118	118	118	118	118
Industrial Estates (+2% p.a)	2,382	2,430	2,478	2,528	2,578
Miscellaneous Properties (+2% p.a.)	762	777	793	809	825
Total	4,607	4,807	5,009	5,073	5,042

The Council has an agreement with the managing agents of the Lanes development whereby the Council receives a proportion of the total rental income. The budgeted income is included in the MTFP at £1.383m. Receiving Equity rental now means that the rental income received is subject to fluctuations in the performance of the Lanes and in periods where there are a lot of voids, income may be lower than that forecast. The situation is monitored via Management Reports received from the Managing Agent.

The Asset Management Plan provides advice on how the Council can use its land and property portfolio to ensure that it achieves best value and delivers cost-effective services.

4.4.4 Council Tax Income

Based on the Council Tax base projected for 2014/15 and an assumed annual growth of approximately 0.279% in the base over the next five years, a 0% increase in 2104/15 and 2015/16 and 1.99% increase thereafter in Council Tax per annum will provide additional resources over the period 2015/16 – 2019/20 as follows: -

Year	Council Tax Band D £	Tax Base Projections	Yield £	Annual Increase £
2014/15	193.43	31,014.29	5,999,094	
2015/16	193.43	31,100.82	6,015,832	16,737
2016/17	197.27	31,187.59	6,152,376	136,544
2017/18	201.20	31,274.60	6,292,450	140,074
2018/19	205.20	31,361.86	6,435,454	143,004
2019/20	209.29	31,449.36	6,582,037	146,583

4.5 The Capital Programme

The revenue implications of capital spending are identified in the project appraisal process to ensure that the full cost of any proposals for capital investment can be included in both the revenue and capital budgets of the Council. The budget projections therefore include an assessment of the revenue costs of existing capital projects.

The level of resources used to finance the capital programme, either from capital receipts, reserves or grants, has a direct bearing on the revenue budget as it reduces the amount of money the Council has to invest, thereby reducing its investment interest. The assumption made here is

that the effect of the capital programme on investment levels will be broadly neutral, effectively meaning that the Council will only spend the capital resources it receives in any one year.

4.5.1 Prudential Borrowing

Nearly all formal controls on borrowing by local authorities have been relaxed since the introduction of the Prudential Code in April 2004. Furthermore, in 2014/15 the City Council received a capital grant of approximately £0.66m towards its capital programme. This system of providing support via a capital grant is expected to continue in the period covered by the MTFP.

Given the level of other resources available to the Council, particularly the balance of unapplied capital receipts, to fund the present programme, it has been assumed that there could be a potential shortfall in resources that would lead to a borrowing requirement in funding the Council's capital expenditure in the next five years. Any prudential (or unsupported) borrowing should be supported by a robust business case but for the time being other sources of capital finance are considered to be more economic and therefore more 'prudent'.

4.6 Reserves

It is the responsibility of the Director of Resources to advise the Council on policies and protocols in respect of the use and level of reserves that it should hold. This information is required to ensure that members are kept fully informed of the effects of their decisions on the reserves held by the Council. A revised set of policy guidelines and associated protocols is attached at **Appendix E**.

Minimum levels of reserves were reviewed as part of the 2014/15 budget process and the risk assessment identified that minimum levels could be maintained at £2.6million

The Council balances are set out in **Appendix F**. In order to maintain the financial stability of the Council, the fundamental principle on the use of Reserves and Balances is that they should not normally be used to fund recurring expenditure. Where they are, however, the usage should be explicitly stated, and steps taken to address the situation in following years.

BUDGET PROCESS

5.1 Budget Process

The Revenue Budget Process is the main mechanism in place for forecasting spending requirements and resources over a 5-year planning period.

The budget is drawn together from:

- a base budget requirement, which determines the cost of providing existing services,
- bids for additional resources, which are required to meet identified spending pressures that meet Council priorities,
- forecasts of income from fees and charges, linked to the Corporate Charging Policy,
- forecasts of grant income,
- to arrive at a level of Council Tax to be charged to residents.

This well-established mechanism results in the approval of the annual budget in February.

Within the process, there are a series of key tasks that must be carried out, as follows: -

- (a) The base budget must be established, taking account of factors such as
 - inflationary increases in pay and operating costs,
 - shortfalls or reductions in budgeted income levels,
 - the level of external funding through grants or contributions from the government or other bodies.
- (b) Bids for additional resources must be submitted by November each year and be accompanied by a full financial appraisal setting out the business case for the additional resources requested. The financial appraisal is a key document as it will provide information on: -
 - the Council priorities requiring the resources,
 - the consequences of not providing the resources,
 - options considered to meet the pressure from within existing resources before arriving at the decision to bid for additional resources,
 - the full cost of the bid over at least a five-year period to reflect any potential growth or reduction in costs over the period,
 - any income that could be potentially generated to offset the cost of the bid,Members will decide which bids will be supported following the outcome of the financial appraisal.
- (c) The revenue effects of any capital investment proposals must be identified and incorporated into the revenue budget.
- (d) Savings and efficiency proposals, which again must be accompanied by a full financial appraisal, must be submitted by November each year. Members will decide on the proposals to be taken forward following the outcome of the financial appraisal.
- (e) Changes to Council priorities which require the redistribution of resources must be identified,

- (f) The level of support provided by the Government through the Revenue Support Grant needs to be incorporated into the MTFP.

The potential financial impact of the new budget discipline is not currently wholly reflected in the MTFP, as in some cases it represents the first stage in assessing the options available to the Council to bridge the likely budget deficit over the next five years.

5.2 Consultation

The Executive approves its draft budget proposals in December each year. There then follows a formal consultation period (usually 4 weeks) when any interested person can submit their views on the proposals to the Council. This can be done by post, telephone or on-line through the Council's web-site.

In addition, formal consultation meetings are held with:

- The Large Employers Affinity Group (to include any Non Domestic Ratepayers)
- Trades Unions

The Council's Resources Overview and Scrutiny Panel also have a role in scrutinising the budget proposals.

The Executive considers feed back from the consultation process, before making its final recommendations to Council in February each year.

The Council has a Consultation Policy and is a member of Community Voice, a Cumbria wide collaboration of District Councils, Cumbria County Council, the police and PCT that consults local people regularly on their views with the intention of improving services. The results of the consultations inform policy development and feed into the Carlisle Plan, MTFP and other individual service plans.

5.3 Value for Money

The Council is committed to a continuous programme of service improvement. The new budget discipline being developed will challenge how services are delivered across the Council to improve efficiency and deliver improved value for money. The Council has adopted a series of mechanisms to assess how it is performing in this area and these are being developed to include:

- Improved financial and service planning over both the short and long term,
- Involving and consulting customers about the way services are provided to see if they meet customer aspirations,
- Supply and demand analysis,
- Customer satisfaction surveys, focus groups and user groups,
- Performance management, benchmarking and the adoption of best practice in service delivery,
- Service reviews, including developing efficiency targets,
- Financial appraisal of projects taking account of quality, price and lifetime costs,
- Improved budgetary control mechanisms,
- Full risk assessments of proposals to change service provision,
- Attracting as much external investment as possible so the Council's resources go further,
- Member involvement through the Audit Committee and Overview and Scrutiny Panels,
- The adoption of shared services, where this is proven to benefit the Council both financially and in the quality of service delivery.

RISK ASSESSMENT

There are a number of inherent risks in the strategy as proposed and these are identified in **Appendix G**. It is the responsibility of the Director of Resources in conjunction with other Directors to ensure that these risks are properly managed and risk mitigation measures taken where necessary.

Individual responsibilities are set out in the Financial Procedure Rules.

SUMMARY

The purpose of the MTFP is to provide members with forecasts of the likely financial position of the Council over the next five years to enable informed decisions on actions needed to achieve financial stability within agreed Council policies.

The MTFP presents a snapshot of the current financial position and will inevitably change over time. This will be monitored and reported throughout the year. The ultimate aim of the MTFP is to help members to make more informed financial decisions and therefore contribute to an improvement in its use of resources.

APPENDIX A

Carlisle City Council – Current Financial Projections for the period to 2019/20

2014/15 Budget £000	Summary Net Budget Requirement	2015/16 Proj'd £000	2016/17 Proj'd £000	2017/18 Proj'd £000	2018/19 Proj'd £000	2019/20 Proj'd £000
Projected Resources						
(5,999)	Council Tax Income	(6,016)	(6,153)	(6,292)	(6,436)	(6,582)
(3,108)	Revenue Support Grant	(2,269)	(2,277)	(2,182)	(2,083)	(2,083)
(2,970)	Retained Business Rates	(3,052)	(3,145)	(3,240)	(3,339)	(3,339)
(500)	Business rate Pooling	(500)	(500)	(500)	(500)	(500)
(35)	Estimated Council Tax Surplus	(35)	(35)	(35)	(35)	(35)
(54)	Parish CTRS Grant	(54)	(54)	(54)	(54)	(54)
(424)	Parish precepts	(436)	(448)	(461)	(474)	(487)
(13,090)		(12,362)	(12,612)	(12,764)	(12,921)	(13,080)
Recurring Revenue Expenditure						
11,632	Existing Expenditure	11,143	12,166	13,106	13,965	14,824
1,492	New Spending Pressures	1,924	2,385	2,602	3,165	3,165
(426)	Budget Reductions	(2,195)	(2,485)	(3,597)	(4,609)	(4,609)
12,698	Total Recurring Expenditure	10,872	12,066	12,111	12,521	13,380
Non Recurring Revenue Expenditure						
179	Existing Commitments	0	0	0	0	0
1,016	Spending Pressures	122	0	0	0	0
(1,392)	Budget Reductions	(228)	0	0	0	0
0	Use of Earmarked Reserves	0	0	0	0	0
768	Carry Forward	0	0	0	0	0
13,269	Current Revenue Expenditure	10,766	12,066	12,111	12,521	13,380
478	Parish Precepts	490	502	515	528	541
13,747	Total Revenue Expenditure	11,256	12,568	12,626	13,049	13,921
(657)	Contribution to/(from) Reserves	1,106	44	138	(128)	(841)
13,090	Net Budget for Council Tax Purposes	12,362	12,612	12,764	12,921	13,080

APPENDIX B

Current Financing the Revenue Budget

Indicative forecasts of how the Council's projected gross budget will be financed for the period 2014/15 to 2019/20 are as follows: -

Source	2014/15		2015/16		2016/17		2017/18		2018/19		2019/20	
	£000	%	£000	%	£000	%	£000	%	£000	%	£000	%
Council Tax (incl. Parishes)	6,423	10.71	6,452	10.33	6,601	10.46	6,753	10.40	6,910	10.41	7,069	10.48
Formula Grant	3,162	5.27	2,323	3.72	2,331	3.69	2,236	3.44	2,137	3.22	2,137	3.17
Retained Business Rates	3,470	5.79	3,552	5.69	3,645	5.77	3,740	5.76	3,839	5.78	3,839	5.69
Collection Fund Surplus	35	0.06	35	0.06	35	0.06	35	0.05	35	0.05	35	0.05
Net Budget for Council Tax Purposes	13,090	21.83	12,362	19.80	12,612	19.98	12,764	19.67	12,921	19.46	13,080	19.39
Grants and Contributions (assumed a 2.8% increase per annum)	35,998	60.03	37,006	59.26	38,042	60.27	39,107	60.25	40,202	60.56	41,328	61.26
Other Income (assumed a 3.8% increase per annum)	11,532	19.23	11,970	19.17	12,425	19.68	12,897	19.87	13,387	20.17	13,896	20.60
Reserves and Balances	(657)	(1.10)	1,106	1.77	44	0.07	138	0.21	(128)	(0.19)	(841)	(1.25)
Total Gross Budget	59,963	100.00	62,444	100.00	63,123	100.00	64,907	100.00	66,383	100.00	67,463	100.00

The use of Reserves and Balances varies from the Budget Resolution approved by Council in February 2014 as a result of the 2013/14 outturn position and the carry forward of £768,000 into 2014/15.

APPENDIX C

Subjective Analysis of the Forecast Gross Budget

The detailed subjective figures from 2014/15 will become available as part of the budget process.

Source	2014/15		2015/16		2016/17		2017/18		2018/19		2019/20	
	£000	%	£000	%	£000	%	£000	%	£000	%	£000	%
Employees	17,172	28.64										
Premises	3,442	5.74										
Transport	1,334	2.22										
Supplies & Services	5,590	9.32										
Third Party Payments	3,542	5.91										
Transfer Payments	28,037	46.76										
Support Services (Net)	(2,018)	(3.37)										
Capital Financing	1,618	2.70										
Precepts	478	0.80										
Supplementary Estimates	0	0.00										
Carry Forward Requests	768	1.28										
Total Gross Budget	59,963	100	62,444	0	63,123	0	64,907	0	66,383	0	67,463	0

APPENDIX D

CORPORATE CHARGING POLICY 2014

This appendix sets out the corporate approach to the setting of fees and charges.

The Corporate Charging Policy applies to those fees and charges that the Council has control over and can set independently of any statutory provision. Any services where charges are set by Government or where services have to be self financing are excluded from the Corporate Charging Policy.

Each service is required to consider how and to what extent each of the following applies to the fees and charges it proposes to set:

1. Objectives of Charge - Set out the principal objective(s) of setting the charge:

- Recover cost of service provision
- Generate Surplus Income (where permitted)
- Maintain existing service provision
- Fund service improvements or introduction of new service(s);
- Manage demand for service(s)
- Promote access to services for low-income households;
- Promote equity or fairness;
- Achieve wider strategic policy objectives (eg encouraging green policies);

2. Other factors influencing decisions on whether and how much to charge:

- The Council's historic approach to charging
- The views of local politicians, service users and taxpayers
- Other councils' and service providers approach to charging
- Levels of central government funding and policy objectives
- The Council's overall financial position
- Changes in demand for services
- Policy on Concessions
- Availability of powers to charge for discretionary services (eg pre application planning advice)
- Central government policy objectives

3. Targeting Concessions - The following target groups should be considered:

- Persons over the age of 65
- Unemployed
- Young persons under the age of 18
- Students in full time higher education
- Community Groups
- Those in receipt of supplementary benefits, tax credits, attendance allowance, disability living allowance and other appropriate groups

4. Trading

The Council is empowered to sell goods or services to other public bodies or trade commercially through a company with non-public bodies. The objectives should be considered for relevant services (including Building Cleaning and Maintenance, Vehicle Maintenance, Grounds maintenance, Legal Services, Human Resources, IT, Payroll, Planning and Development Services) as follows to:

- Deliver services more strategically on an area-wide basis
- Achieving greater efficiency
- Capitalise on expertise within the council
- Utilise spare capacity
- Generate income
- Support service improvement

5 Value For Money

- Has charging been used as a tool for achieving strategic policy objectives?
- Has the optimum use of the power to charge been used?
- Has the impact of charging on user groups been monitored?
- Has charging secured improvements in value for money?
- Has charging been used as a tool to reduce increases in Council Tax?

Council Policy on the Level and Use of Reserves

1. General

- 1.1. Reserves generally will not be used to fund recurring items of expenditure, but where it does steps will be taken to address the situation.
- 1.2. Reserves will not become overcommitted.
- 1.3. The Council benefits from its level of reserves as it is able to: -
 - Meet its capital programme obligations, without recourse to borrowing,
 - Fund exceptional increases in its net budget requirement without affecting the Council Tax charged to its taxpayers,
 - Ensure that surplus resources are retained for the general benefit of the Council to protect against large increases in Council Tax.
 - Benefit from significant income received from the investment of its reserves to contribute to the budget requirement of the Council, which is a key part of the Council's Treasury Management Strategy.

2. The General Fund Reserve

- 2.1. The balance on the General Fund shall broadly equal £2.6m. This figure is assessed taking into account the risks and working balances required, including investment income generated, it is considered prudent to leave the reserve at this level. A risk based assessment of the appropriate level of this reserve was carried out for the 2014/15 budget process and this is attached overleaf.
- 2.2. If the balance in the short-term falls below £2.6million, the Council will top-up the balance to this level from the General Fund Income and Expenditure Account.
- 2.3. If the balance in the short-term exceeds £2.6million then the surplus will be transferred to the Council's Project Reserve.

3. Earmarked Reserves

- 3.1. Earmarked reserves will not be used for recurring items of expenditure, nor become over-committed.
- 3.2. For each earmarked reserve there will be a clear protocol in place setting out: -
 - The purpose of the reserve.
 - How and when the reserve can be used.
 - Procedures for the management and control of the reserve.
 - Processes for the review of the use of the reserve to ensure that it continues to have an adequate level of funds and remains relevant to the business of the Council.

4 Provisions

The Council holds a number of provision balances for items where future commitments are likely and use of these are delegated to the relevant Director in consultation with the Director of Resources.

5 Charitable and Other Bequests

The Council holds a number of bequests for use by the Council. These funds can only be released with the full approval of the Council under the terms set out when the bequest was given. In the first instance it will be the responsibility of the Executive to consider a report outlining proposals for the use of the bequest prior to submission of the request to Council.

6 The Responsibilities of the Director of Resources

- 5.1 The Director of Resources will review each reserve and its protocol annually and produce a report for the Executive as part of the annual accounts process detailing: -
- Compliance with the use of reserves and associated protocols,
 - Movements in the level of reserves, including the purposes for which reserves were used during the previous financial year,
 - The adequacy of the level of reserves and the effects on the Council's budget requirement,
 - Any reserves which are no longer required,
 - Proposals to set up new reserves, including purposes, protocols, funding sources and potential impact on the Council's Medium-Term Financial Plan.
- 5.2 The Director of Resources will review this policy at least annually and will obtain the approval of the Council for any change required to either the policy or protocols associated with specific reserves.

RISK ASSESSMENT OF LEVEL OF RESERVES - 2015/16

Potential Risk	Risk Score	Weighting	Financial Exposure (£000)	Balance Required (£000)	Comment (Basis of Financial Exposure)
Base Budget Contingency for inflation or other unanticipated rise.	4	50%	109	54	Assumed at 1% of Net Revenue Recurring Budget
Underachievement of Charges Income targets and spending exceeds budgets	4	50%	214	107	Estimate of 5% Charges Income forecasts for 2014/15
Underachievement of Investment Income	4	50%	250	125	1% of exposure of average balance of £25m
Civil Emergencies	6	75%	170	128	Bellwin scheme cuts in at 0.2% of Net Budget (£28,800) and provides for up to 85% of eligible costs (assume £1m cost - not covered by insurance)
Insurance Excesses	2	25%	25	6	Based on 5% of insurance premia payments
Fall in Rental Income from Property	6	75%	225	169	5% of Rental Income (assumed at £4.5m for 2014/15)
Transformation not met	1	25%	1,839	460	2015/16 Transformation Target
Changes to existing government funding regimes	4	50%	723	361	Safety Net Threshold for Business Rates Retention Scheme + Business Rate Pooling
Additional Redundancy Costs	2	25%	400	100	Not met from Transformation Reserve
Dependence on reserves and general balances	3	25%	538	135	General Fund Reserve Balance - Audit Commission Guidance states prudent level is 5% of Net Revenue Expenditure
Emergency Contingency		100%	1,000	1,000	Emergency contingency fund - Council practice to allocate £1m for any unforeseen emergencies
TOTALS			5,493	2,645	
Maximum Risk Based Reserve Balances					5,493
Minimum Risk Based Reserve Balances					1,373
Current Level of Reserves (Projected as at 31/03/14) (General Fund)				2,439	(Less Carry Forwards, and funding required to meet 14/15)
Projected Shortfall/(Excess) of Current Reserve Balance over Risk Based				-206	

PROTOCOLS FOR THE USE OF COUNCIL RESERVES

Reserve	Estimated Balance 31/3/14	Purpose	Conditions of Use
Capital Reserves	£000		
Usable Capital Receipts	5,643	To provide funds to support the capital programme	Capital receipts can only be used to support capital spending or the repayment of debt. Management of the use of the receipts rests with the Director of Resources but approval of their use must be given by Council.
Asset Disposal Reserve	370	To provide resources to purchase properties and fund associated revenue costs (e.g. marketing) required as part of the Carlisle Renaissance project. To provide resources for investment in the Council's industrial estates to ensure rent yields are maintained / increased	Management of the reserve rests with the Director of Resources who will be responsible for developing proposals requiring funding from the reserve. Approval to release funds from the reserve can only be given by the Council.
CLL Reserve	522	To provide funds to purchase equipment from CLL Ltd, should the leisure management contract either not be renewed or be terminated due to breach of contract on the part of CLL Ltd.	Management of the reserve rests with the Deputy Chief Executive but can only be used with the agreement of the Council. Use of the reserve should be accompanied by a report to Council providing details of the circumstances giving rise to the need for support to be provided by the Reserve.
Lanes Capital Reserve	369	To provide funds to meet potential exceptional capital works under the terms of the lease agreement.	Management of the reserve rests with the Director of Resources who will be responsible for developing proposals requiring funding from the reserve. Approval to release funds from the reserve can only be given by the Council.

Reserve	Estimated Balance 31/3/14	Purpose	Conditions of Use
Revenue Reserves	£000		
General Fund Reserve	3,945	To be a general working capital / contingency to cushion the Council against unexpected events and emergencies	<p>Management of the reserve rests with the Director of Resources. The use of the reserve is dependent on judgements taken when setting the Council's revenue budget on: -</p> <ul style="list-style-type: none"> – Cash flow requirements, – Inflation and interest rates, – Demand led budget pressures, – Efficiency and productivity savings, – The availability of funds to deal with major unexpected events or emergencies, – Risks arising from significant new funding partnerships, major outsourcing arrangements or major capital developments. <p>Approval to release funds from the reserve can only be given by the Council as part of the budget process, or through consideration of supplementary estimates on an ad-hoc basis.</p>
Projects Reserve	0	The balance at 31 st March 2014 shall be earmarked to support potential revenue budget shortfalls identified by the 2014/15 Medium Term Financial Plan. Additions to the balances thereafter can be used either to support revenue budget shortfalls or projects within the Council's capital programme	<p>Management of the reserve rests with the Director of Resources. Funding for the Reserve will be provided by windfall gains over and above those required to maintain the General Fund at its approved level, balances on reserves that are no longer needed and proceeds from the Local Authority Business Growth Incentive Scheme. Approval to release funds from the reserve can only be given by the Council either as part of the budget process, or through consideration of supplementary estimates on an ad-hoc basis.</p>
Collection Fund (Carlisle Share)	(112)	To be the collection account for sums due from local taxpayers.	<p>Management of the fund rests with the Director of Resources. The use of the Fund is determined by statute. The main use is to adjust the level of Council Tax required in any one year to reflect surpluses or deficits on collection targets in prior periods.</p>

Reserve	Estimated Balance 31/3/14	Purpose	Conditions of Use
Revenue Reserves (contd.)	£'000		
Residents Parking Reserve	(116)	To provide funds for small projects consistent with the Local Transport Plan.	Management of the reserve rests with the Director of Local Environment but can only be used with the agreement of Cumbria County Council. Use of the reserve should be accompanied by a report to Council providing details of the projects supported by the Reserve. Funding is provided from the balance generated by the Residents Parking Initiative and must be reported to Cumbria County Council annually.
Building Control Reserve	20	To provide funds for improvements to the delivery of the Building Control function.	Management of the reserve rests with the Director of Economic Development The balance is ring-fenced by statute to support improvements to the Building Control Service and is not available for general use by the Council. Funding is provided from surpluses generated by the service annually. Approval to release funds from the reserve can only be given by the Council either as part of the budget process, or through consideration of supplementary estimates on an ad-hoc basis.
Conservation Reserve	117	To purchase historic buildings at risk or fund repairs and / or improvements to historic buildings	Management of the reserve rests with the Director of Economic Development. Funding is provided from the sale of property. Approval to release funds from the reserve can only be given by the Executive of the Council.
LSVT Warranties	0	To provide funds to meet claims arising in years 13 –25 following transfer of the housing stock in 2002 under environmental warranties given at the time of the transfer, when insurance has expired	Management of the reserve rests with the Director of Resources. The reserve is only able to be used to meet defined costs and is not available for general use by the Council. Approval to release funds from the reserve can only be given by the Council. Funds were transferred into General Fund during 2013/14
Licensing Reserve	0	This is a ringfenced surplus carried forward to fund future year's expenditure.	Management of the reserve rests with the Director of Resources. Approval to release funds from the reserve can only be given by the Executive of the Council.
Transformation Reserve	436	To fund any one off costs associated with transformation project	Management of the reserve rests with the Chief Executive. Approval to release funds from the reserve can only be given by the Executive of the Council.

Reserve	Estimated Balance 31/3/14	Purpose	Conditions of Use
EEAC Reserve	52	To hold the residual funds of the service pending future decisions with regard to the service	Management of the reserve rests with the Director of Economic Development. Approval to release funds from the reserve can only be given by the Executive of the Council.
Cremator Reserve	212	To build up resources to replace cremators when required	Management of the reserve rests with the Director of Local Environment. Approval to release funds from the reserve can only be given by the Executive of the Council.
Welfare Reform Reserve	200	To meet one off costs associated with the Welfare Reform bill and introduction of Universal Credit	Management of the reserve rests with the Director of Resources. Approval to release funds from the reserve can only be given by the Executive of the Council.

APPENDIX F

City Council Reserves Projections

Members should note that these financial projections now reflect the 2013/14 outturn position.

Analysis of Council Reserves	Outturn 31 March 2014 £000	Projected 31 March 2015 £000	Projected 31 March 2016 £000	Projected 31 March 2017 £000	Projected 31 March 2018 £000	Projected 31 March 2019 £000	Projected 31 March 2020 £000
Revenue Reserves							
General Fund Reserve	(3,945)	(2,557)	(2,600)	(2,600)	(2,600)	(2,600)	(2,276)
Projects Reserve	0	0	(463)	(507)	(645)	(517)	0
LSVT Warranties Reserve	0	0	0	0	0	0	0
Conservation Reserve	(117)	(117)	(117)	(117)	(117)	(117)	(117)
Collection Fund (Carlisle Share c	112						
Residents Parking Reserve	116						
Transformation Reserve	(436)		(600)	(600)	(600)	(600)	(600)
EEAC Reserve	(52)	0					
Building Control Reserve	(20)						
Cremator Reserve	(212)						
Welfare Reform Reserve	(200)	(200)	(200)	(200)	(200)	(200)	(200)
Licensing Reserve	0	0	0	0	0	0	0
Total Revenue Reserves	(4,754)	(2,874)	(3,980)	(4,024)	(4,162)	(4,034)	(3,193)
Capital Reserves							
Usable Capital Receipts	(5,273)	(285)	(2,639)	(1,899)	152	936	1,440
Asset Disposal Reserve	(370)	(360)	(360)	(360)	(360)	(360)	(360)
CLL Reserve	(522)	(522)	(522)	(522)	(522)	(522)	(522)
Lanes Capital Reserve	(369)	(384)	(399)	(414)	(429)	(444)	(459)
Total Capital Reserves	(6,534)	(1,551)	(3,920)	(3,195)	(1,159)	(390)	99
Total Usable Reserves	(11,288)	(4,425)	(7,900)	(7,219)	(5,321)	(4,424)	(3,094)
Other Technical Reserves*	(109,586)						
Total All Reserves	(120,874)						

* Other Reserves are of a technical nature and are not cash backed. They are not therefore available either to fund expenditure or to meet future commitments.

RISK ASSESSMENT

Risk	Likelihood	Impact	Mitigation
The assumptions contributing to the Financial Plan prove to be incorrect.	Remote	Marginal	Review budget forecasts regularly and continually adjust for known and likely variations that impact on the forecast.
Spending exceeds budget or assumed income levels not achieved	Reasonably probable	High	Regular budgetary monitoring reports. Updates to medium term financial strategy.
Unforeseen spending	Remote	Marginal	Budget Monitoring. Adequate contingency reserve. Updates to medium term financial strategy.
New Schemes / Initiatives (including VAT)	Reasonably Probable	Marginal	Review priorities. Assess effects on budget. Updates to medium term financial strategy.
Dependence on reserves and general balances	Reasonably Probable	High	Compliance with CIPFA / Audit Commission recommendations on level of balances and reserves.
Transformation Savings not achieved	Probable	High	Review budget forecasts regularly and continually adjust for known and likely variations that impact on the forecast.
Changes to existing Government funding regimes e.g. RSG, Housing Benefits	Probable	High	Review service priorities, assess other funding opportunities, update medium term financial strategy.

EXCERPT FROM THE MINUTES OF THE EXECUTIVE HELD ON 21 JULY 2014

EX.67/14 DRAFT MEDIUM TERM FINANCIAL PLAN 2015/16 TO 2019/20
(Key Decision – KD.14/14)

Portfolio Finance, Governance and Resources

Relevant Overview and Scrutiny Panel Resources

Subject Matter

The Finance, Governance and Resources Portfolio Holder presented report RD.18/14 concerning the draft Medium Term Financial Plan 2015/16 to 2019/20. He reminded Members that the Medium Term Financial Plan set out the current framework for planning and managing the Council's financial resources, developing its annual budget strategy and updating its current five year financial plan. The Plan further sought to link the key aims and objectives of the Council, as contained in the Carlisle Plan, to the availability of resources thereby enabling the Council to prioritise the allocation of resources to best meet its overall aims and objectives.

The Medium Term Financial Plan was reviewed annually commencing with the assumptions made in the Budget resolution approved by Council on 4 February 2014. In addition, the Corporate Charging Policy had been reviewed and included within the Medium Term Financial Plan. The Charging Policy provided a framework for potential policy options for each charging area, but recognised the different approaches that might be required for different services and the various influences which needed to be acknowledged in setting individual charges.

The Finance, Governance and Resources Portfolio Holder further explained that the draft Medium Term Financial Plan would be available for consultation with the Resources Overview and Scrutiny Panel. It would then come back to the Executive on 18 August, prior to transmission to Council for approval on 9 September 2014.

In conclusion, the Finance Governance and Resources Portfolio Holder moved the recommendation as set out in the report.

Summary of options rejected None

DECISION

1. That the Report of the Director of Resources (RD.18/14) on the draft Medium Term Financial Plan 2015/16 to 2019/20 be received.

2. That the report be made available for consideration by the Resources Overview and Scrutiny Panel on 7 August 2014.

Reasons for Decision

To consult with the Resources Overview and Scrutiny Panel on the Draft Medium Term Financial Plan 2015/16 to 2019/20

EXCERPT FROM THE MINUTES OF THE RESOURCES OVERVIEW AND SCRUTINY PANEL HELD ON 7 AUGUST 2014

ROSP.43/14 DRAFT MEDIUM TERM FINANCIAL PLAN 2015/16 TO 2019/20

The Finance, Governance and Resources Portfolio Holder presented report RD.18/14 concerning the draft Medium Term Financial Plan 2015/16 to 2019/20. He reminded Members that the Medium Term Financial Plan set out the current framework for planning and managing the Council's financial resources, developing its annual budget strategy and updating its current five year financial plan. The Plan further sought to link the key aims and objectives of the Council, as contained in the Carlisle Plan, to the availability of resources thereby enabling the Council to prioritise the allocation of resources to best meet its overall aims and objectives.

The Medium Term Financial Plan was reviewed annually commencing with the assumptions made in the Budget resolution approved by Council on 4 February 2014. In addition, the Corporate Charging Policy had been reviewed and included within the Medium Term Financial Plan. The Charging Policy provided a framework for potential policy options for each charging area, but recognised the different approaches that may be required for different services and the variety of influences which needed to be acknowledged in setting charges.

The Finance, Governance and Resources Portfolio Holder further explained that the draft Medium Term Financial Plan would be available for consultation with the Resources Overview and Scrutiny Panel before returning to the Executive on 18 August 2014, prior to transmission to Council for approval on 9 September 2014.

The Executive had received the report on 21 July 2014 (EX.67/14 refers) and made it available for Scrutiny.

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

- *Would it be prudent to consider working with the County Council in respect of the on-street parking enforcement to avoid duplication of work and reduce costs?*

The Finance, Governance and Resources Portfolio Holder explained that discussions had been held with the County Council on the issue.

The Chief Executive added that correspondence had been received from the County Council following the decision with regard to on-street parking charges requesting that the contract with the City Council in respect of enforcement be terminated. That contract had two years still to run and the Chief Executive explained that discussions had been held to look at how the service could be maintained and any deficit be reduced.

RESOLVED – 1. That report RD.18/14 – Draft MTFP 2015/16 to 2019/20 be noted.

EXCERPT FROM THE MINUTES OF THE EXECUTIVE HELD ON 18 AUGUST 2014

EX.79/14 **MEDIUM TERM FINANCIAL PLAN 2015/16 TO 2019/20
(Key Decision – KD.14/14)

(In accordance with Paragraph 15(i) of the Overview and Scrutiny Procedure Rules, the Deputy Mayor had agreed that call-in procedures should not be applied to this item)

Portfolio Finance, Governance and Resources

Relevant Overview and Scrutiny Panel Resources

Subject Matter

Pursuant to Minute EX.67/14, the Finance, Governance and Resources Portfolio Holder presented report RD.18/14 concerning the draft Medium Term Financial Plan 2015/16 to 2019/20. He reminded Members that the Medium Term Financial Plan set out the current framework for planning and managing the Council's financial resources, developing its annual budget strategy and updating its current five year financial plan. The Plan further sought to link the key aims and objectives of the Council, as contained in the Carlisle Plan, to the availability of resources thereby enabling the Council to prioritise the allocation of resources to best meet its overall aims and objectives.

The Medium Term Financial Plan was reviewed annually commencing with the assumptions made in the Budget resolution approved by Council on 4 February 2014. In addition, the Corporate Charging Policy had been reviewed and included within the Medium Term Financial Plan. The Charging Policy provided a framework for potential policy options for each charging area, but recognised the different approaches that might be required for different services and the various influences which needed to be acknowledged in setting individual charges.

Members' attention was drawn to section 2.4 (Significant Budget Issues) which recorded that a number of high impact pressures on the Councils' budgets had been identified, the impact of which would be further analysed and reported throughout the budget process and revisions made to current budget deficit projections as required.

The Finance, Governance and Resources Portfolio Holder further explained that a timetable for the budget process would be prepared and the overall budget position for revenue and capital, and individual reports on spending pressures, saving proposals and charging reports would be considered by the Executive on 10 November 2014. Those reports would be available for scrutiny by the three Overview and Scrutiny Panels at the end of November / beginning of December.

The Resources Overview and Scrutiny Panel had scrutinised the matter on 7 August 2014 and resolved that report RD.18/14 – Draft MTFP 2015/16 to 2019/20 be noted. A copy of Minute Excerpt ROSP.43/14 had been circulated.

The Chairman of the Resources Overview and Scrutiny Panel confirmed that no particularly significant problems had been identified by the Panel in relation to the Medium Term Financial Plan, and that Members' questions had been answered at the meeting. He had nothing further to add.

In conclusion, the Finance Governance and Resources Portfolio Holder moved the recommendation as set out in the report which was seconded by the Leader.

Summary of options rejected None

DECISION

1. That the Executive had considered the comments of the Resources Overview and Scrutiny Panel as detailed within Minute ROSP.43/14.
2. That the Medium Term Financial Plan 2015/16 to 2019/20 be referred to Council for approval on 9 September 2014.

Reasons for Decision

To receive the views of the Resources Overview and Scrutiny Panel prior to recommending the Medium Term Financial Plan 2015/16 to 2019/20 to Council for formal approval

Report to Council

Agenda
Item:

17(iv)

Meeting Date: 9 September 2014
Portfolio: Finance, Governance and Resources
Key Decision: Yes: Recorded in the Notice Ref:KD14/14
Within Policy and Budget Framework YES
Public / Private Public

Title: CAPITAL STRATEGY 2015/16 TO 2019/20
Report of: DIRECTOR OF RESOURCES
Report Number: RD19/14

Purpose / Summary:

The Council's Capital Strategy is intended to direct the Council's Capital Programme and the allocation of resources for the five-year period 2015/16 to 2019/20. The guidance in this strategy complements and supplements the Medium Term Financial Plan.

The Capital Strategy has been considered by the Executive and the Resources Overview and Scrutiny Panel.

Recommendations:

The Council is asked to approve the Capital Strategy for the period 2015/16 to 2019/20.

Tracking

Executive:	21 July 2014
Overview and Scrutiny:	7 August 2014
Executive	18 August 2014
Council:	9 September 2014



CARLISLE CITY COUNCIL

CAPITAL STRATEGY 2015/16 TO 2019/20

SEPTEMBER 2014

CARLISLE CITY COUNCIL

CAPITAL STRATEGY 2015/16 to 2019/20

1. Policy and Context

The Capital Strategy is a key policy document for the Council and provides guidance on the Capital Programme and the use of capital resources. The strategy reflects the links to other Council plans and is based on the guidance in the Medium Term Financial Plan (MTFP).

The objectives of the Capital Strategy are to: -

- Ensure that capital investment decisions and capital resources contribute to the achievement of the Council's corporate priorities.
- Co-ordinate the strategic priorities emerging from service planning and ensure that investment opportunities are maximised.
- Manage performance and decision-making processes to help achieve the best use of available capital resources.
- Set out processes to monitor and evaluate proposed and actual capital spending on projects to ensure that value for money is obtained.

Capital spending is strictly defined and is principally incurred in buying, constructing or improving physical assets such as buildings, land and vehicles, plant and machinery. It also includes grants and advances to be used for capital purposes.

2. Overall Strategy Guidelines

The strategy has been developed using the following overarching guidelines: -

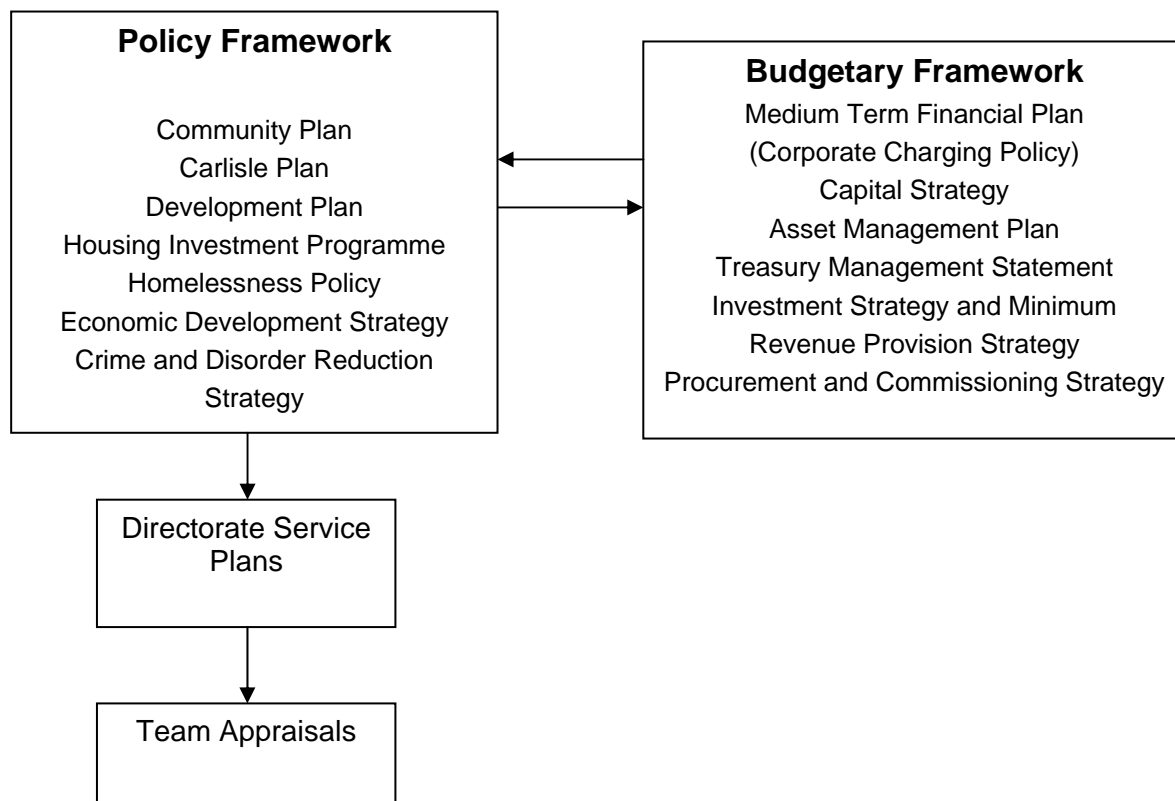
- Capital resources are held corporately and are allocated according to the priorities set out in the Carlisle Plan (i.e. there is no automatic ring-fencing of resources for specific purposes with the exception of the repayment of Renovation grants).
- Capital receipts, including Preserved Right to Buy (PRTB) receipts, will be allocated in accordance with Council priorities and in particular to support sustainable communities and the Housing Strategy.
- Specific repayments of Renovation Grants will be reinvested in the programme and be used to support Private Sector Renewal Grants.
- Income generated from the sale of vehicles, plant and equipment will be reinvested in the programme and be used initially to fund future replacements.
- The Council will seek to maximise the use of grants and external funding.
- The Council is committed to deliver capital investment with partners to maximise benefits where this fits with Council priorities.
- Redirection of capital resources from one project to another will be contained within existing budgets, unless increases can be justified through the budget process.
- Capital budgets are generally cash-limited i.e. no provision is made for inflation which effectively means that over time there is a real reduction in the value of resources allocated to specific capital projects.
- Council Tax increases will be limited to fair and reasonable levels. This requires a full assessment of the revenue consequences of capital projects and their respective methods of finance.

3. The Council's approach to corporate planning

The council has a corporate plan (Carlisle Plan) that is reviewed annually to take account of emerging issues. The plan is developed through consultation with stakeholders; it presents the key actions for the Council and likely outcomes for communities.

The Carlisle Plan forms part of the Policy and Budgetary Framework for the Council. These frameworks work together to create the strategic framework.

The following diagram illustrates the relationships between the Policy and Budgetary Frameworks.



Community Plan

The community plan is 'owned' by the Carlisle Partnership (our Local Strategic Partnership). It reflects and develops the aspirations of the communities of Carlisle and provides a strategic context for the partnership activities of all members of the LSP. For the City Council it is particularly important that the Corporate Plan enables delivery of the Community Plan; there must be congruence between the strategic objectives of both plans.

The communities of Carlisle are consulted and involved in the development of the Community Plan. This Community Plan helps to inform the strategic thinking of partner organisations.

The LSP's Community and Council's Corporate Planning process informs and supports the strategy of the Cumbria Strategic Partnership.

Directorate Service Plans

The primary purpose of a Service Plan is to provide a link between the resources used to deliver services and the delivery of agreed outputs. Service Plans are inextricably linked to each Directorate's budget.

Service Plans develop the key actions of the Carlisle Plan into detailed activities for Directorates and provide a framework for their financial, performance and risk management.

Other Council Strategies, Plans and Policies

The MTFP takes account of other Council Plans and Strategies of the Council, which have a potential impact on the use of resources by the Council. Particularly consideration is given to the following key strategies: -

- The Capital Strategy, which provides information on the proposed level of investment in capital projects and the consequent impact on the revenue budget.
- The Treasury Management Strategy Statement, Investment Strategy and Minimum Revenue Provision Strategy, which sets out the assumptions for financing requirements and interest rates and their effect on the revenue budget.
- The Asset Management Plan, which provides forecasts of necessary investment in the Council's land and property portfolio.
- The Procurement and Commissioning Strategy
- Local Plan/Local Development Framework.
- The Organisational Development Plan, which highlights the need for a thorough review of the Council's staffing needs and skill levels to ensure that the Council improves its performance to deliver excellent services to the local community in the future.
- There are also a number of strategies, (some of which are currently under development) which set out policy direction for key Council priority areas, and these include the Economic Strategy, and Housing Strategy.

4. Capital Programme Forecasts

4.1 Current Forecasts

The Council has previously considered detailed proposals for capital spending and associated financing implications for the period 2014/15 to 2018/19. These are summarised in the Council Budget Resolution approved on 20 February 2014.

This report updates the projections to cover a further year. This aims to provide more effective planning in the longer term. The aim may be to increase this period to 10 years.

The key assumptions in the projections are as follows:

- The Capital Programme considered by Council in February assumed a programme of £7.217m for 2014/15 and £8.007m for 2015/16. The impact of the 2013/14 outturn and the carrying forward of budgets into 2014/15 and other adjustments has increased the programme to £9.716m in 2014/15.

The current full 5 year programme (before being reviewed) is attached at **Appendix A** with a summary below at **Table 1**. Work is continuing to allocate resources to the new Council priorities.

Table 1 – Current Proposed Programme

	2014/15 £000	2015/16 £000	2016/17 £000	2017/18 £000	2018/19 £000	2019/20 £000
Current Proposed Programme	9,716	8,359	2,589	2,480	1,741	1,428

4.2 Future Forecasts

The current capital programme forecasts spending on capital projects of around £1-£2.5m p.a. for years 2017/18 to 2019/20. Past experience has indicated that actual spending will be far higher and this is due mainly to the fact that a number of initiatives are still at an early stage of development and so are not yet included in the projections.

- (i) Asset Review Programme – Capital purchases from the receipts generated by asset sales were removed from the capital programme as part of the 2014/15 budget process as the receipts are being reinvested to finance the overall capital programme.
- (ii) Vehicle Replacement Programme - The current capital programme includes a minimal budget for vehicle replacements. The refuse fleet and other street cleansing vehicles are due for replacement from 2015 and options need to be considered as to how these will be funded and whether existing vehicles can be replaced later. Given current capital resources it will be unlikely they will be able to be bought from existing capital receipts, so other options such as borrowing and leasing will have to be considered should the vehicles still need replacing.

The position on the above schemes will need to be updated during the budget process when an indication of capital schemes coming to fruition and their timing can be made more accurately. The inclusion of any of these projects in the capital programme will be subject to the appraisal of a full business case, which will include an assessment of fit with corporate priorities, prior to formal approval for inclusion in the programme by Council.

5. **Capital Resource Forecasts**

The Council's capital programme can be financed, (or paid for), through a number of sources and the Director of Resources will make recommendations on the most effective way of financing the Capital Programme to optimise the overall use of resources. The availability of staff resources to deliver the approved programme will need to be considered during the budget process. **Table 2** shows the estimated level of capital resources, which will be generated over the next five years.

Table 2 – Estimated Capital Resources (Based on current programme)

Resources Available	2014/15 £000	2015/16 £000	2016/17 £000	2017/18 £000	2018/19 £000	2019/20 £000
Capital Grants	(1,599)	(663)	(663)	(663)	(663)	(663)
Capital Receipts (General & Preserved Right to Buy)	(660)	(410)	(410)	(410)	(260)	(260)
Capital Receipts (Asset Business Plan)	(1,925)	(4,539)	0	0	0	0
Total Capital Resources	(4,184)	(5,612)	(1,073)	(1,073)	(923)	(923)
Borrowing Requirement (Revised)	0	(5,000)	0	0	0	0
Direct Revenue Financing	(174)	(101)	(66)	(66)	(34)	(2)
Total	(4,358)	(10,713)	(1,139)	(1,139)	(957)	(925)

The current assumptions included in this strategy for each of the available financing sources are as follows:

(i) Borrowing

Rules on borrowing have been relaxed since the introduction of the Prudential Code in April 2004. As a consequence, any new borrowing taken out is now known as unsupported borrowing. This effectively means that the Council can borrow as much as it wishes to pay for its capital programme, providing that repayments are affordable and can be met from the Council's revenue budget.

(ii) Capital Receipts

Capital Receipts arise principally from the sale of Council capital assets. In the past the bulk of the receipts were received from a Preserved Right to Buy (PRTB) sharing agreement with Riverside Group, following the transfer of the housing stock in December 2002. Capital receipts are forecast to remain fairly constant at £0.40million p.a. for the period under review, dropping to £0.260million p.a. from 2018/19 onwards. However, for 2014/15 there are specific additional items that increase this figure to £0.66million. These figures comprise: -

- £150,000 to be received from PRTB sales under the sharing agreement with Riverside in 2014/15. Updated projections will be requested from Riverside Group which will be included in the final version of the report once received but early indications show that there will be a significant reduction in the level of receipts generated from PRTB sales which has not yet been taken into account. For information £413,000 was received in 2013/14. This agreement ceases on 31 March 2018.
- £10,000 p.a. from receipts arising from the Raffles development, which it is forecast will continue to be generated for the next 11 years.
- An assumption that the Council will generate £250,000 p.a. over the life of the plan from the sale of other Council surplus assets (to be refined during the budget process).
- £250,000 from the sale of London Road Hostel now the new Womens and Families Hostel is completed.

Capital receipts, including PRTB receipts, will be allocated in accordance with Council priorities and in particular to support sustainable communities and the Housing Strategy. 'Sustainable communities' has a wide-ranging definition, which is included at **Appendix B** for

information. There has previously been an expectation from the Government that the PRTB receipts will be used to benefit the delivery of the sustainable community.

The Asset Business Plan assumes that a further £6.5million of capital receipts will be generated from 2014/15. A significant capital receipt was removed from during the 2014/15 budget process until more certainty over its materiality can be ascertained. The expectation is that this receipt will be set aside to enable the future repayment of debt. A reprofiling exercise has been carried out to revise the expected date of these capital receipts.

Asset Business Plan Resources	2014/15 £000	2015/16 £000	2016/17 £000	2017/18 £000	2018/19 £000	2019/20 £000
Original Schedule	(5,134)	(1,340)	0	0	0	0
Amendment	3,209	(3,199)	0	0	0	0
Revised Asset Business Plan Resources	(1,925)	(4,539)	0	0	0	0

The Council also receives a small amount from repayments of improvement grants arising as a result of property sales. The Council has approved a change in policy whereby receipts of this nature are now to be used specifically to support Housing Private Sector Renewal initiatives. However given the scale of the potential receipts, for the purpose of this report, they are not separately identified and are included within general capital receipts.

As a result of revised Capital Financing Regulations, the Council prepares an annual Minimum Revenue Provision (MRP) Strategy, which was approved by Council in February 2014. During 2008/09, the Council took advantage of an accounting amendment, which generated substantial short-term savings to the authority's revenue budget. This involves the voluntary set aside of unapplied capital receipts. As these capital receipts are spent there will be an adverse impact on the revenue account both in terms of the amount of investment interest received and the level of MRP charged in the year. The Council continues to use this strategy of setting aside any surplus receipts each year in order to minimise its MRP requirement. The cash from these receipts is still available to support capital expenditure.

Central Government have recently made an announcement of a £2m investment to Cumbria Local Enterprise Partnership for improved access to Durranshill Industrial Estate. A further report will be presented for approval once further information is available.

(iii) Reserves and Balances

The Council currently maintains a reserve to support capital spending - the Asset Investment Reserve. Further information on all of the Council reserves is set out in more detail in the Council's Policy on the Use of Reserves contained within the MTFP.

- Asset Investment Reserve**

The Asset Investment Reserve currently stands at £0.4m, the use of which is subject to Council approval. The remaining balance in the reserve is the remainder of £1m built up from contributions from the Industrial Estates capital programme.

(iv) Government and Other Capital Grants and External Funding

The Government have made changes to capital grants and capital funding, for example removing ring fencing from certain grants etc. Further developments and announcements may impact on the amount of capital grants and funding available to the Council.

The Council currently receives capital grants to support its Disabled Facilities Grants (DFG) programme. From 2014/15, the level of grant provided to the Council is £663,000 and the requirement for the Council to fund 40% of the cost has been withdrawn.

(v) Revenue Contributions

The Council is free to make contributions from revenue to finance capital spending. A number of invest In practice however, and given the severe restrictions on the level of revenue spending needed to keep Council Tax at acceptable levels, it is not anticipated that any revenue contributions will be made over the period 2014/15 – 2019/20 to provide resources for capital spending. Where there have been specific 'invest-to-save' projects that have utilised capital resources, these are being 'repaid' to capital through the revenue savings that have been generated. Due to the pressure on the Council's Revenue budget and reserve projections, the opportunity will be taken wherever possible to maximise the use of capital resources rather than revenue resources. This is because capital resources can only be used to finance capital schemes, whereas revenue reserves and balances can be used to support both revenue and capital schemes and therefore gives more flexibility.

6. Summary Capital Spending and Financing

As set out in the Table below, there is currently £5.6m uncommitted capital resources available to support any future capital programme up to 2017/18.

The capital resources shown below highlight that there will be a borrowing requirement of £0.142m in 2017/18 increasing to £0.926m in 2018/19 and £1.429m in 2019/20. This borrowing requirement will be met in the first instance through 'Internal Borrowing', i.e. running down the Council's cash investments.

Table 3 – Summary Programme

Summary Programme	2014/15 £000	2015/16 £000	2016/17 £000	2017/18 £000	2018/19 £000	2019/20 £000
Estimates Resources 31 March 2014	(5,643)	0	0	0	0	0
In Year Impact:						
Estimated Resources available (Table 2)	(4,358)	(10,713)	(1,139)	(1,139)	(957)	(925)
Current Proposed Programme (Table 1)	9,716	8,359	2,589	2,480	1,741	1,428
In year projected (surplus)/Deficit in Resources	5,358	(2,354)	1,450	1,341	784	503
Total	(285)	(2,639)	(1,189)	152	936	1,439

7. Council Budget Process

- 7.1 The Council operates on a five-year budget cycle, which starts in July with consideration of the MTFP including this Capital Strategy. As the year progresses, services submit capital and revenue bids for service development or to address pressures identified in their respective service plans in accordance with Council priorities. Capital bids have a role to play

in developing the Council's revenue budget as in very many cases, a capital project will result in the Council having to budget for ongoing revenue costs in future years.

7.2 The Council has set up a formal appraisal system to assess individual capital projects before they are included in the capital programme, and therefore before committing revenue resources. The Corporate Programme Board (CPB) undertakes this to determine: -

- Whether the project meets corporate and service priorities,
- Whether all costs are reasonable and affordable,
- Whether all options to deliver the project have been considered.
- Impact on Revenue budget.
- Any VAT issues

Capital bids are only put forward to members as recommended schemes when this appraisal process is completed satisfactorily.

8. Evaluation and Monitoring of Capital Projects

8.1 The evaluation and monitoring of capital projects is important to enable the Council to determine: -

- If projects have met their individual objectives for service provision,
- If projects have been delivered on time and to budget, or whether lessons need to be learned to improve processes in the future,
- If projects have contributed to the overall aims and objectives of the Council.

8.2 To assist with these processes, the Council has a series of procedures in place as a capital project develops. These consist of: -

- Consideration of all aspects of a capital project by the Corporate Programme Board, comprising senior officers of the Council, whose purpose is to lead on the prioritisation of capital investment through the consideration of business cases and the ongoing monitoring and evaluation of individual capital projects. All proposals for investment will be submitted to members for consideration as part of the normal budget process.
- The development of a risk-assessed project plan for every project, which is subject to regular monitoring against key milestones by a nominated project officer.
- Changes to capital budgets, scheme costs, the inclusion or removal of individual schemes and information on remedial action needed to bring projects back on track are reported to Council as required.
- The Senior Management Team and the Executive receive quarterly monitoring reports on the Capital Programme to review progress on the delivery of projects. This process also includes the evaluation of completed capital projects to assess if their individual aims and objectives have been met, and makes recommendations where necessary to improve the delivery of similar projects in the future.
- The Council's Resources Overview and Scrutiny Panel also critically examines the performance in delivering capital projects on a quarterly basis.

9. Risk Assessment

The past performance of the capital programme flags up some key risks that need to be addressed to ensure best use is made of the Council's capital resources. The risk assessment for the capital programme is attached at **Appendix C**.

10. Summary

This strategy is designed to outline the processes and risks the Council needs to consider when developing a capital programme that meets corporate and service objectives. It also provides information on the likely level of capital investment that the Council will be able to support over the next five years and gives an indication of the level of resources that will be required, and that are available, to deliver this investment through the capital programme.

Current Capital Programme

Capital Schemes	2014/15 £000	Projected 2015/16 £000	Projected 2016/17 £000	Projected 2017/18 £000	Projected 2018/19 £000	Projected 2019/20 £000
Disabled Facilities Grants	863	863	863	863	863	863
Planned Enhancements to Council Property	366	300	300	300	300	300
Vehicles & Plant	323	1,109	1,221	1,113	383	265
ICT Shared Service	320	197	205	204	195	0
Asset Business Plan	3,200	0	0	0	0	0
Public Realm S. 106 works	690	0	0	0	0	0
Arts Centre	1,055	0	0	0	0	0
Harraby School Community Campus Contr	1,100	500	0	0	0	0
Old Town Hall / Greenmarket	1,070	390	0	0	0	0
Leisure Facilities	0	5,000	0	0	0	0
Sheepmount Road	30	0	0	0	0	0
Bitts Park Access	10	0	0	0	0	0
CCTV Initiative	89	0	0	0	0	0
Enterprise Centre / West Walls	70	0	0	0	0	0
Empty Property Initiative	209	0	0	0	0	0
Public Realm Improvements	100	0	0	0	0	0
Clean Up Carlisle	20	0	0	0	0	0
Employee Payment System	21	0	0	0	0	0
Families Accommodation	15	0	0	0	0	0
Cenotaph & War Memorials	61	0	0	0	0	0
Kingstown Industrial Estate	10	0	0	0	0	0
Connect 2 Cycleway	8	0	0	0	0	0
Waste Optimisation Software	9	0	0	0	0	0
Play Area Improvements	69	0	0	0	0	0
Castle Street Public Realm	8	0	0	0	0	0
Total Capital Programme	9,716	8,359	2,589	2,480	1,741	1,428

Sustainable Communities

In February 2003 the ODPM produced a document called 'Sustainable Communities: building for the future' which provided a summary of the key requirements of a sustainable community as shown below.

1. A flourishing local economy to provide jobs and wealth;
2. Strong leadership to respond positively to change;
3. Effective engagement and participation by local people, groups and businesses, especially in the planning, design and long-term stewardship of their community, and an active voluntary and community sector;
4. A safe and healthy local environment with well-designed public and green space;
5. Sufficient size, scale and density, and the right layout to support basic amenities in the neighbourhood and minimise use of resources (including land);
6. Good public transport and the transport infrastructure both within the community and linking it to urban, rural and regional centres;
7. Buildings – both individually and collectively – that can meet different needs over time, and that minimise the use of resources;
8. A well-integrated mix of decent homes of different types and tenures to support a range of household sizes, ages and incomes;
9. Good quality local public services, including education and training opportunities, health care and community facilities, especially for leisure;
10. A diverse, vibrant and creative local culture, encouraging pride in the community and cohesion within it;
11. A 'sense of place';
12. The right links with the wider regional, national and international community.

Capital Programme – Risk Assessment

Risk	Likelihood	Impact	Mitigation
Capital projects are approved without a full appraisal of the project and associated business case.	Reasonably Probable	Marginal	Strengthen the role of Corporate Programme Board when considering capital project appraisals, to include consideration of business cases
Full capital and revenue costs of a project not identified.	Reasonably Probable	Marginal	Capital spending must meet statutory definitions. Financial Services to regularly review spending charged to capital. Appraisals to identify revenue costs, including whole life costs to improve financial planning. This may need to be reviewed if major schemes progress, e.g. Sands
VAT partial exemption rules are not considered.	Reasonably Probable	Marginal	Reduced impact following the decision to elect to tax land and property. To be considered as part of Project Appraisals and assessed by Financial Services.
Capital projects are not delivered to time	Reasonably Probable	High	Significant slippage in the current capital programme. Better project management skills to be introduced through PRINCE 2. Project managers to take more ownership and responsibility for the delivery of projects. The review of the capital programme currently underway will address some of these issues.
Capital projects are not delivered to budget. Major variations in spending impact on the resources of the Council.	Reasonably Probable	Marginal	Improved capital programme monitoring through PRINCE 2 and monthly financial monitoring. Corrective action to be put in place where necessary.
Assumptions on external funding for capital projects are unrealistic	Probable	High	Potential shortfalls arising from changes to external funding have to be met from other Council resources, so assumptions need to be backed by firm offers of funding before projects are submitted for appraisal. Risk increased due to uncertainty around funding, e.g. NWDA grants
Spending subject to specific grant approvals e.g. housing improvement grants, disabled persons adaptations varies from budget	Remote	Marginal	Specific grants are generally cash limited so variations in projects supported by funding of this nature will be monitored closely to ensure target spend is achieved to avoid loss of grant or restrictions on subsequent years grant funding.
Shortfall in level of capital resources generated from PRTB/Capital Receipts	Probable	High	Economic downturn will impact - early warning so as not to over commit capital resources.

EXCERPT FROM THE MINUTES OF THE EXECUTIVE HELD ON 21 JULY 2014

EX.68/14 DRAFT CAPITAL STRATEGY 2015/16 TO 2019/20
(Key Decision – KD.14/14)

Portfolio Finance, Governance and Resources

Relevant Overview and Scrutiny Panel Resources

Subject Matter

The Finance, Governance and Resources Portfolio Holder presented report RD.19/14 on the Draft Capital Strategy 2015/16 to 2019/20. He informed Members that the Draft Capital Strategy was a key policy document, intended to direct the Council's Capital Programme and the allocation of resources for the five year period 2015/16 to 2019/20 and would complement and supplement guidance contained in the Medium Term Financial Plan. The Capital Strategy was reviewed annually alongside the Medium Term Financial Plan, commencing with the assumptions made in the Budget Resolution approved by Council on 4 February 2014. The position had been updated to reflect any known changes since that date.

The Portfolio Holder further outlined the objectives of the Capital Strategy, which were to:

- Ensure that capital investment decisions and capital resources contributed to the achievement of the Council's corporate priorities;
- co-ordinate strategic priorities emerging from service planning and ensure that investment opportunities were maximised;
- manage performance and decision making processes to help achieve the best use of available capital resources; and
- set out processes to monitor and evaluate proposed and actual capital spending on projects to ensure that value for money was obtained.

The Strategy had been developed using a number of overarching guidelines, details of which were provided.

The Finance, Governance and Resources Portfolio Holder outlined the current capital programme forecasts, reminding Members of the key assumptions which had been considered in making the projections including the Capital Programme of £7.217m for 2014/15 and £8.007m for 2015/16. The impact of the 2013/14 outturn and the carrying forward of budgets into 2014/15 and other adjustments had increased the programme to £9.716m in 2014/15.

The Finance, Governance and Resources Portfolio Holder indicated that the current capital programme forecast spending on capital projects of around £1m - £2.5m per annum for years 2017/18 to 2019/20, although past experience had indicated that actual spending would be much higher due, in the main, to the fact that a number of initiatives were still at an early stage of development and had not yet been included in the projections. He particularly identified the Asset Review Programme and Vehicle Replacement Programme, commenting that the position on those schemes would need to be updated during the budget process when an indication of capital schemes coming to fruition and their timing could be made more accurately.

The report further set out an estimated level of capital finance resources which would be generated over the next five years and highlighted the current position regarding borrowing; capital receipts; reserves and balances; Government and other capital grants and external funding; and revenue contributions. Also summarised was the level of capital spending and available financing for the period 2014/15 to 2019/20 which indicated that currently there was approximately £5.6m uncommitted estimated capital resources available to support any future capital programme as at the end of 2017/18.

The Finance, Governance and Resources Portfolio Holder then moved the recommendation set out in the report.

Summary of options rejected None

DECISION

1. That the Report of the Director of Resources (RD.19/14) regarding the draft Capital Strategy 2015/16 to 2019/20 be received.
2. That the draft Capital Strategy be made available for consideration by the Resources Overview and Scrutiny Panel on 7 August 2014.

Reasons for Decision

To consult with the Resources Overview and Scrutiny Panel on the draft Capital Strategy for 2015/16 to 2019/20.

EXCERPT FROM THE MINUTES OF THE RESOURCES OVERVIEW AND SCRUTINY PANEL HELD ON 7 AUGUST 2014

ROSP.44/14 DRAFT CAPITAL STRATEGY 2015/16 TO 2019/20

The Finance, Governance and Resources Portfolio Holder presented report RD.19/14 on the Draft Capital Strategy 2015/16 to 2019/20. He informed Members that the Draft Capital Strategy was a key policy document, intended to direct the Council's Capital Programme and the allocation of resources for the five year period 2015/16 to 2019/20 and would complement and supplement guidance contained in the Medium Term Financial Plan. The Capital Strategy was reviewed annually alongside the Medium Term Financial Plan, commencing with the assumptions made in the Budget Resolution approved by Council on 4 February 2014. The position had been updated to reflect any known changes since that date.

The report further outlined the objectives of the Capital Strategy, which were to:

- Ensure that capital investment decisions and capital resources contributed to the achievement of the Council's corporate priorities;
- co-ordinate strategic priorities emerging from service planning and ensure that investment opportunities were maximised;
- manage performance and decision making processes to help achieve the best use of available capital resources; and
- set out processes to monitor and evaluate proposed and actual capital spending on projects to ensure that value for money was obtained.

The Strategy had been developed using a number of overarching guidelines, details of which were provided.

The Finance, Governance and Resources Portfolio Holder outlined the current capital programme forecasts, reminding Members of the key assumptions which had been considered in making the projections including the Capital Programme of £7.217m for 2014/15 and £8.007m for 2015/16. The impact of the 2013/14 outturn and the carrying forward of budgets into 2014/15 and other adjustments had increased the programme to £9.716m in 2014/15.

He indicated that the current capital programme forecast spending on capital projects of around £1m - £2.5m per annum for years 2017/18 to 2019/20, although past experience had indicated that actual spending would be much higher due, in the main, to the fact that a number of initiatives were still at an early stage of development and had not yet been included in the projections. The Portfolio Holder particularly identified the Asset Review Programme and Vehicle Replacement Programme, commenting that the position on those schemes would need to be updated during the budget process when

an indication of capital schemes coming to fruition and their timing could be made more accurately.

The report further set out an estimated level of capital finance resources which would be generated over the next five years and highlighted the current position regarding borrowing; capital receipts; reserves and balances; Government and other capital grants and external funding; and revenue contributions. Also summarised was the level of capital spending and available financing for the period 2014/15 to 2019/20 which indicated that currently there was approximately £5.6m uncommitted estimated capital resources available to support any future capital programme as at the end of 2017/18.

The Executive had received the report on 21 July 2014 (EX.68/14 refers) and made it available for Scrutiny.

In considering the draft Capital Strategy Members raised the following comments and questions:

- *The report refers to borrowing of £5,000,000 in respect of leisure facilities. If the Council do decide to borrow that money would it be a loan with a repayment programme?*

The Chief Executive informed Members that the borrowing requirement indicated in the report would be subject to a detailed Business Case. It was intended that the money would be invested in important leisure facilities at the Sands Centre which would drive down the overall leisure cost in Carlisle. The Chief Executive confirmed that the loan would have a repayment programme.

- *Was the money to fund the improved pools not coming from the proposed development at Morton? Is that development going ahead?*

The Chief Executive explained that the Morton site was part of the disposal of assets programme and was being considered separately to the leisure project. That revolved around money being invested in leisure facilities which it was anticipated would make a saving on the subsidy paid to the leisure provider and return additional capital.

The disposal of assets and generation of capital was a longer term project that would lead to the repayment of the £15 million loan and would be included in the MTFP next year.

- *Was the disposal of the Morton site and other assets not linked to the leisure improvements which the report indicates would be dealt with by borrowing?*

The Chief Executive advised that if the Council borrowed money to improve leisure facilities savings could be made. However should the Council receive a windfall from the sale of assets the decision may be made not to borrow money.

The Finance, Governance and Resources Portfolio Holder added that the capital programme was not reliant on a windfall from the sale of the Morton site.

- *Three of the risks on the Capital Programme Risk Assessment were categorised as a high impact. What steps were being taken to address those risks?*

The Financial Services and HR Manager explained the steps being taken to monitor the risks involved with those issues.

- *Work required as part of a Section 106 Agreement would have to be put to tender as the Council no longer had a workforce to deal with highway issues. Since the County Council had taken over responsibility for the highways would it not be a better arrangement for all highways work to go to the County Council?*

The Finance, Governance and Resources Portfolio Holder advised that the City Council needed to maintain control over the spending of monies in respect of Section 106 Agreements and there were a number of vehicles that could be employed with regard to how the money was spent. If a decision was made by the City Council to spend the Section 106 Agreement funds Officers would look at the necessary procurement options.

- *With regard to play area improvements the report indicates that there will be £69,000 available for 2014/15 then nothing up to and including 2019/20. When equipment was removed from some of the play areas Members were given an assurance that remaining play areas would be enhanced and maintained to a good standard. If a piece of equipment was in need of replacement would that happen?*

The Finance, Governance and Resources Portfolio Holder explained that there was a diminishing budget in respect of play equipment and the £69,000 would be spent across the various play areas. When funding was available it would be used. The report did not contain the level of detail regarding the replacement of equipment but would be included in the maintenance budget reports. The Finance, Governance and Resources Portfolio Holder added that the maintenance budget for play equipment would be in the revenue budget.

- *It was decided at the last meeting of the Council that money would be invested with a Swiss bank and into a property portfolio. Would there be a point that would trigger a review of the disposal policy and was that policy still relevant?*

The Finance, Governance and Resources Portfolio Holder advised that Officers and Members would look at the investment if the economic situation changed. The investments with the Swiss bank and the property portfolio would be continually monitored.

The Chief Executive explained that the Asset Business Plan was a schedule of the disposable assets which had been agreed by Council and was covered by a policy from which the Executive could make relevant decisions. However each disposal case would be considered on its merits. Whilst consulting on any disposal of any asset Members of the Executive would be mindful that they would need to consult with Members and advise Members on what they were expecting to gain in terms of capital. Mechanisms

were in place that would allow the Executive to refuse the disposal of an asset if conditions deemed it not to be a sensible choice. A policy framework was in place and the Executive made decisions based on that policy framework. Members also had the option to call in an Executive decision if they were concerned.

The Property Services Manager explained that the return on income was important and the Executive would consider the efficiency of an asset and its potential future uses.

RESOLVED – 1. That report RD.19/14 – Draft Capital strategy 2015/16 to 2016/20 be noted.

EXCERPT FROM THE MINUTES OF THE EXECUTIVE HELD ON 18 AUGUST 2014

EX.80/14 **CAPITAL STRATEGY 2015/16 TO 2019/20
(Key Decision – KD.14/14)

(In accordance with Paragraph 15(i) of the Overview and Scrutiny Procedure Rules, the Deputy Mayor had agreed that call-in procedures should not be applied to this item)

Portfolio Finance, Governance and Resources

Relevant Overview and Scrutiny Panel Resources

Subject Matter

Pursuant to Minute EX.68/14, the Finance, Governance and Resources Portfolio Holder presented report RD.19/14 concerning the Capital Strategy 2015/16 to 2019/20. He emphasised that the Capital Strategy was a key policy document, intended to direct the Council's Capital Programme and the allocation of resources for the five year period 2015/16 to 2019/20; and would complement and supplement guidance contained in the Medium Term Financial Plan. The Capital Strategy was reviewed annually alongside the Medium Term Financial Plan, commencing with the assumptions made in the Budget Resolution approved by Council on 4 February 2014. The position had been updated to reflect any known changes since that date.

The Portfolio Holder summarised the objectives of the Capital Strategy, which had been developed using a number of overarching guidelines, details of which were provided.

In addition, the Finance, Governance and Resources Portfolio Holder outlined the current capital programme forecasts, reminding Members of the key assumptions which had been considered in making the projections including the Capital Programme of £7.217m for 2014/15 and £8.007m for 2015/16. The impact of the 2013/14 outturn and the carrying forward of budgets into 2014/15 and other adjustments had increased the programme to £9.716m in 2014/15.

The Finance, Governance and Resources Portfolio Holder indicated that the current capital programme forecast spending on capital projects of around £1m - £2.5m per annum for years 2017/18 to 2019/20, although past experience had indicated that actual spending would be much higher due, in the main, to the fact that a number of initiatives were still at an early stage of development and had not yet been included in the projections. He particularly identified the Asset Review Programme and Vehicle Replacement Programme, commenting that the position on those schemes would need

to be updated during the budget process when an indication of capital schemes coming to fruition and their timing could be made more accurately.

The report further set out an estimated level of capital finance resources which would be generated over the next five years and highlighted the current position regarding borrowing; capital receipts; reserves and balances; Government and other capital grants and external funding; and revenue contributions. Also summarised was the level of capital spending and financing for the period 2014/15 to 2019/20 which indicated that currently there was approximately £5.6m uncommitted capital resources available to support any future capital programme up to 2017/18.

The Resources Overview and Scrutiny Panel had scrutinised the matter on 7 August 2014 and resolved that report RD.19/14 – Draft Capital Strategy 2015/16 to 2019/20 be noted. A copy of Minute Excerpt ROSP.44/14 had been circulated.

The Chairman of the Resources Overview and Scrutiny Panel confirmed that he had nothing further to add.

The Finance, Governance and Resources Portfolio Holder then moved the recommendation set out in the report, which was seconded by the Leader.

Summary of options rejected None

DECISION

1. That the Executive had considered the observations of the Resources Overview and Scrutiny Panel as detailed within Minute ROSP.44/14.
2. That the Capital Strategy 2015/16 to 2019/20 be referred to the meeting of the City Council on 9 September 2014 with a recommendation that the Strategy be approved.

Reasons for Decision

To consider the comments of the Resources Overview and Scrutiny Panel on the draft Capital Strategy prior to recommending the Strategy to Council for approval

Report to Council

**Agenda
Item:**

17(v)

Meeting Date: 09 September 2014
Portfolio: Finance, Governance and Resources
Key Decision: Yes: Recorded in the Notice Ref:KD.015/14
Within Policy and Budget Framework YES
Public / Private Public

Title: ASSET MANAGEMENT PLAN 2014 - 2019
Report of: Director of Governance
Report Number: GD 35/14

Purpose / Summary:

The Asset Management Plan for 2014 – 2019 has been considered at the Executive meetings of 21 July and 18 August 2014, and Resources Overview and Scrutiny Panel on 7 August 2014. It is now brought to Full Council for agreement as part of the Council's Policy Framework.

Recommendations:

The Council adopt the Asset Management Plan for 2014 – 2019.

Tracking

Executive:	
Overview and Scrutiny:	
Council:	



Managing property as a resource for the City

ASSET MANAGEMENT PLAN

2014 – 2019

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1. The Council

Carlisle City Council delivers services to just over 100,000 people and for the year 2014/15 has a net revenue budget of £13.090 million and capital expenditure of £7.217 million. The Council uses its property resources to deliver services, either directly or through the rental income it earns, and improve the quality of life for local people.

The Council's asset base is one of its key financial resources, with a rental income of around £4.5 million per annum, from its non operational property, and a net asset value, taking account of depreciation, of circa £122 million. The income is comparable to that of Council Tax. Over 20% (12,500 people) of Carlisle's workforce are based on the Council's assets.

2. The Asset Management Plan and Council Priorities

The Carlisle Plan 2014/2017 sets out the Council's vision for the City *"to promote Carlisle as a prosperous City, one in which we can all be proud"*. The Plan identifies the actions and timetabling for delivering the key priorities for the Council to:-

- Support the growth of more, high quality and sustainable, business and employment opportunities.
- Develop vibrant sports, arts and cultural facilities, showcasing the City of Carlisle.
- Work more effectively through partnerships to achieve the Council's priorities.
- Work with partners to develop a skilled and prosperous workforce, fit for the future.
- Make Carlisle clean and tidy.
- Address Carlisle's current and future housing needs

The Council has been undergoing a radical transformation of its organisational structure and service delivery to achieve substantial savings in costs, to reduce the base budget over a 5 year period by £6.0 million.

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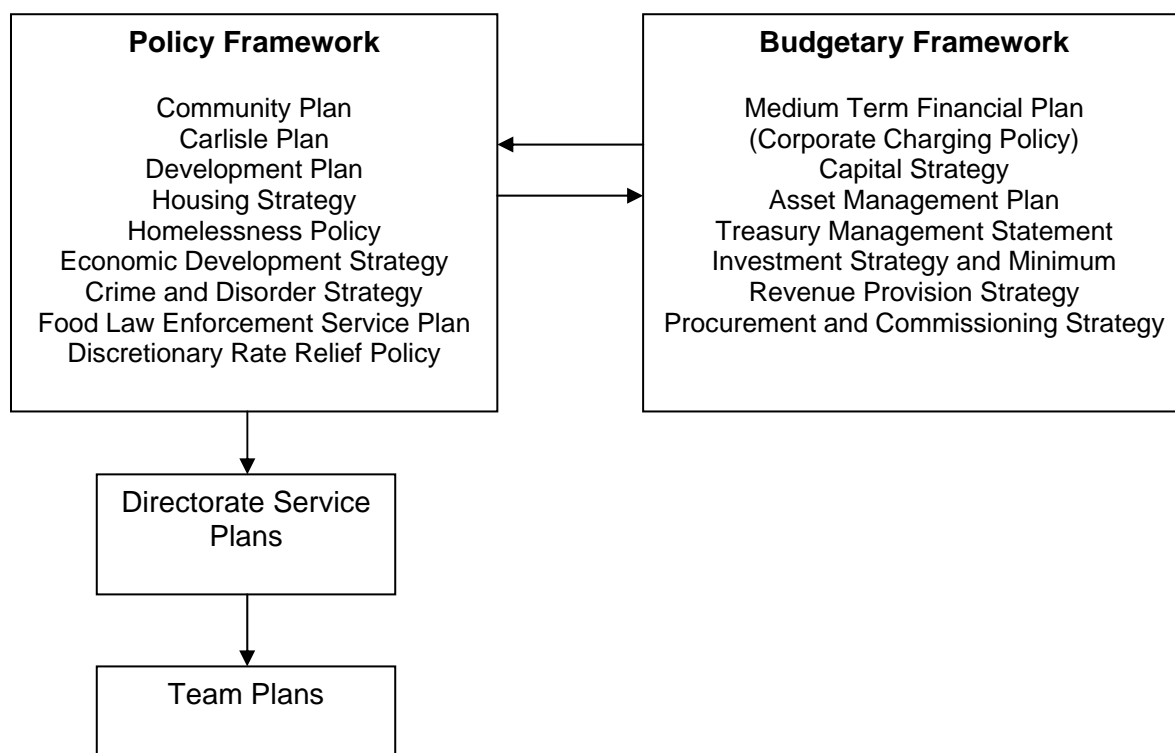
This Asset Management Plan describes how the Council's strategies and policies for its property portfolio will support these priorities and Directorate Service Plans. The Plan aims to provide information about the overall performance of the asset base, and how it is being used and reviewed. It also takes account of, and links into, the Council's Medium Term Financial Plan (MTFP) and the Capital Strategy (CS), which provides guidance on the Capital Programme and use of resources.

3. The Council's Approach to Corporate Planning

The Council has a corporate plan that is reviewed annually to take account of emerging issues. The plan is developed through consultation with stakeholders; it is a statement of the key actions for the Council and likely outcomes for communities.

The Carlisle Plan forms part of the Policy and Budgetary Framework for the Council. These frameworks work together to create the strategic framework.

The following diagram illustrates the relationships between the Policy and Budgetary Frameworks.



Community Plan

The community plan is 'owned' by the Carlisle Partnership (our Local Strategic Partnership (LSP). It reflects and develops the aspirations of the communities of Carlisle and provides a strategic context for the partnership activities of all members of the LSP. For the City Council it is particularly important that the Corporate Plan enables delivery of the Community Plan; there must be similarity between the strategic objectives of both plans.

The communities of Carlisle are consulted and involved in the development of the Community Plan. This Community Plan helps to inform the strategic thinking of partner organisations.

The LSP's Community and Council's Corporate Planning process informs and supports the strategy of the Cumbria Strategic Partnership.

Directorate Service Plans

The primary purpose of a Service Plan is to provide a link between the resources used to deliver services and the delivery of agreed outputs. Service Plans are inextricably linked to each Directorate's budget.

Service Plans develop the key actions of the Carlisle Plan into detailed activities for Directorates and provide a framework for their financial, performance and risk management.

Other Council Strategies, Plans and Policies

The Medium Term Financial Plan (MTFP) takes account of other Plans and Strategies of the Council, which have a potential impact on the use of resources by the Council. In particular consideration is given to the following key strategies: -

- The Capital Strategy (CS), which provides information on the proposed level of investment in capital projects and the consequent impact on the revenue budget.
- The Treasury Management Strategy Statement, Investment Strategy and Minimum Revenue Provision Strategy, which set out the assumptions for financing requirements and interest rates and their effect on the revenue budget.

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- The Asset Management Plan, which provides forecasts of necessary investment in the Council's land and property portfolio.
- The Procurement and Commissioning Strategy.
- The Local Plan which is in the process of review.
- The Organisational Development Plan, which highlights the need for a thorough review of the Council's staffing needs and skill levels to ensure that the Council improves its performance to deliver excellent services to the local community in the future.
- There are also a number of strategies, (some of which are currently under development) which set out policy direction for key Council priority areas, and these include the Economic Strategy, and Housing Strategy.

4. Organisational Framework

The organisational framework for the delivery of property functions has changed in tandem with the Council's Transformation Programme and Asset Review Business Plan which was adopted by Council in 2011. The Business Plan Working Group provides strategic direction, oversees the corporate management of the Council's property assets, and gives direction to the work programme.

The framework which has been put in place as part of the recommendations of the Asset Review Business Plan is evolving; recently following a review of Directorate responsibilities the Property Services team has become part of the Governance Directorate with the Building Services team remaining within the Resources Directorate. Collectively these teams now assume responsibility for providing estate and asset management advice, facility management and running capital projects across the portfolio.

Strategic property advice, in terms of economic development activity, is now delivered through the Economic Development Directorate. All Directorates report through the Senior Management Team (SMT) and then on through the normal Council channels.

The terms of reference for SMT are:-

- ◆ To develop and implement corporate policy and best practise in relation to the Council's property assets.
- ◆ To give strategic direction to other corporate officer groups dealing with operational property matters.

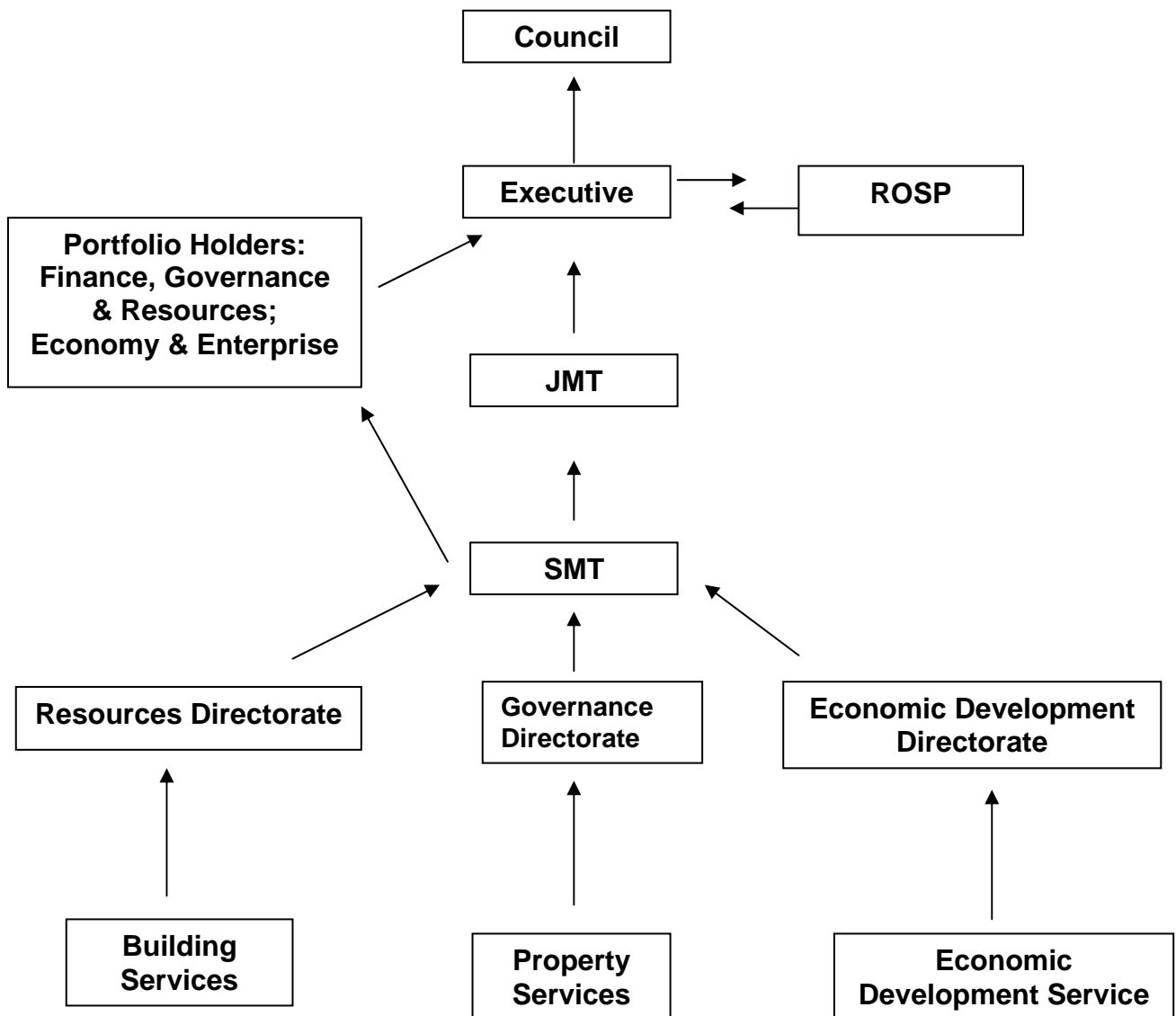
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- ◆ To ensure co-ordination of reporting and decision making on strategic matters relating to property.

SMT meets bi-weekly and membership comprises the Town Clerk & Chief Executive, the Deputy Chief Executive, and the Directors of Resources, Governance, Economic Development, and Local Environment.

The work of SMT reports through the Council's formal channels to Joint Management Team (JMT), the two Portfolio Holders for Finance, Governance & Resources, and Economy and Enterprise, the Executive, Resources Overview and Scrutiny Panel (ROSP), and finally Full Council.

ORGANISATIONAL & REPORTING STRUCTURE



5. Corporate Asset Objectives

Aim

- To set out the Council's policy on the use of assets in order to have a flexible approach to asset ownership and secure a portfolio of the right size, quality, cost and location and one which is suitable and sustainable for service delivery now and into the future.
- To develop a planned approach to the management of the Council's assets linked to corporate priorities.

Objectives

1. To identify all property which the Council owns or uses, compile accurate records, establish its value and the function it performs. Maintain and continually update this information to enable decision making and support to the Council.
2. To make services aware of the costs of occupying property, maximising the use of the asset base to enable efficiency savings, and increasing rental income.
3. To effectively respond to the changing property requirements of service delivery improvements.
4. To provide a transparent basis for property investment decisions, through the Capital Programme, and to have a planned approach to the management of the Council's assets, aligned to corporate objectives.
5. To ensure a healthy and safe environment for property users, promoting improved standards, sufficiency and suitability across the portfolio.
6. To apply "Green Design" principles to construction, refurbishment and maintenance projects and encourage environmentally sustainable management of operational properties.
7. To support the Council's Climate Change Strategy, approved in January 2009, to reduce carbon emissions from our property estate in accordance with the policies and actions set out in the Carbon Management Plan (CMP).

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8. To promote community and partnership use of assets.
9. To link into and contribute to the Council's Medium Term Financial Plan and Capital Strategy.
10. To provide sustainable planned maintenance programmes for a 5-year period.

Delivery

- To develop a planned approach through:-
 - Links to corporate priorities.
 - Carrying out condition surveys
 - Meeting Disabled Discrimination Act requirements.
 - Health and Safety risk assessments.
 - Benchmarking & performance measurement.
- Improving asset management to:-
 - Identify "expensive "and "obsolete" assets.
 - Identify surplus assets.
 - Identify changes to asset requirements, e.g. shared services and home working.
 - Improve energy efficiency, use renewable sources and set targets for carbon reduction.
 - Identify improvements to assets or the asset base to enhance service delivery.
 - Ensure assets are "fit for purposes" and "sustainable".
 - Identify investment opportunities to improve income yields.

6. Performance Monitoring and Measurement

The Council will manage and monitor the use of its property resources to ensure the portfolio meets the objectives set and delivers performance improvements linked to corporate and service objectives. The Council, using the 'Covalent system' (shortly to be replaced) overseen by Policy and Communications, manages and monitors performance indicators.

The Council will aim to own assets which are suitable, fit for purpose and sustainable, to enable services to be delivered effectively and with equality of access.

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The Council's performance framework continues to review performance and seek the development of SMART indicators which will effectively measure the contribution property makes to the achievement of corporate objectives set out in the priority actions in the Carlisle Plan.

New data capture procedures have been established and an annual exercise is now undertaken to collect property information in order to measure performance and these are contained in the suite of Performance Indicators (PI's) set out in Appendices I and II of this Plan. The use of PI's has allowed the Authority to improve the monitoring of asset performance, illustrate improvements, and identify shortcomings.

The Government's Operational Efficiency Programme (OEP) recommends that Local Authorities and other agencies use the CIPFA Property Asset Management Planning Network to share best practice. The OEP Report also strongly recommends the use of benchmarking to help drive efficiencies.

The Authority is a member of the CIPFA IPF Asset Management Plan Network. Current best practice is to use the National Property Performance Indicators (NAPPMI) which is set out in Appendix I. These indices measure property condition, maintenance backlog and expenditure, the cost of energy, water and CO₂ emissions, accessibility and space utilisation. Suitability surveys and assessments on the operational portfolio haven't yet been undertaken, work on establishing a framework and protocol for implementing these will get underway as soon as resources allow.

The Authority also produces a suite of local indicators; these are shown in Appendix II, which additionally measure occupancy rates for the let estate and disability access to our buildings.

7. Policy and Strategy

Operational Property Strategy

- The Council will own a highly rationalised portfolio of property to deliver services which provides users with a good standard of suitable, sufficient, accessible and energy efficient accommodation and facilities, in the right location and at the right cost.
- All service property will be efficient and effective in supporting delivery of the Council's priorities.
- The Council will occupy freehold property where appropriate.
- The Council will hold leasehold property only when necessary to deliver accommodation required on a flexible basis, or when freehold is not available.
- The Council will develop partnership working with other local authorities, public sector bodies, the community and voluntary sector to co-locate and share services, and use its assets with the private sector to deliver Council services.
- Investment in property will only be made following the consideration of a detailed business case and options appraisal which includes the revenue implications over its useful life (ie whole life costing).
- The following policy principles are to be applied to enable delivery of the service property strategy:

Investment Principles

Investment should be made only through a 5 year programme where:

- The property is required for the medium or long term use of the Council, and
- The investment:
 - enhances service delivery
 - improves environmental sustainability
 - improves utilisation
 - increases efficiency
 - adds value
- It addresses statutory obligations

Non-Operational Property Strategy

- The Council will own property that helps to deliver the corporate priorities of Environment and Economy.
- The Council will investigate new medium and long-term development opportunities that will support the growth of Carlisle and the Economic Development Strategy.
- The Council will own property that provides a regular and sustainable income stream, as a key component of the Medium Term Financial Plan.
- The Council will strive to improve the performance of the income stream and reduce liability through partnership working and grant assistance where appropriate.

The following policy principles are to be applied to enable delivery of the non-operational property strategy:

Investment Principles

Commercial property will only be held where:

- It provides an acceptable financial return
- There is potential for Council involvement to deliver economic development objectives
- It contributes effectively to the delivery of other Council priorities
- It improves future sustainability of income
- It addresses legal or contractual liabilities and obligations

Surplus Property Strategy

- The Council will normally dispose of assets that it does not require on the open market on a freehold and leasehold basis at best consideration.

The following policy principles are to be applied to enable delivery of the surplus property strategy and the generation of annual capital receipts of £260,000 in 2014/15, in line with the Capital Strategy and Medium Term Financial Plan. Note additional receipts from the Asset Review Business Plan Disposal Programme are considered separately in this document and the MTFP.

Surplus Property

All operational and non-operational property will be sold unless one of the following applies:

- It is occupied efficiently and effectively for services in the right location, at the right price.
- It can be used to deliver social, housing, economic or environmental benefits to meet the Council's agreed priorities, in which case the Council may take a flexible approach to a disposal at less than market value, subject to compliance with any statutory consents and full Council approval.
- It is a long-term strategic investment.

Property Acquisition Strategy

- The Council will only acquire assets if there is a business case to support the improvement in service delivery in the Capital Strategy.
- The Council will acquire assets that assist with the delivery of Economic Development policy if there is a business case.
- The Council will develop opportunities, in partnership, to assemble sites to deliver Council objectives, particularly its priorities of Environment and Economy.
- The Council will invest in assets to improve the financial returns and yields from the portfolio and deliver the Asset Review Business Plan.

The following policy principles should be applied to enable delivery of the property acquisition strategy:

Property Acquisition

Property will only be acquired in the following circumstances:

- Where the service cannot be efficiently delivered without it.
- Where it is required to deliver Economic Development policy.
- Where it is required to support the delivery of other Council services and priorities, either directly or through income generation.
- Whole life costing and option appraisal exercises are undertaken.
- Portfolio investments and opportunity purchases meet set target criteria around risk, income returns and yields.

8. Government Policy and Statutory Responsibilities

The overall amount available for distribution to Local Government is determined by the Government's Spending Review. The last review in 2010 (CSR10) is committed to: -

"Delivering a step change in the management of the public sector asset base".

More specifically, the spending review focuses on the condition and management of the public asset stock as a basis for looking at investment decisions. The aim is to maximise value from assets through:

- Disposing of assets no longer required for service delivery.
- Improving the management and utilisation of retained assets.
- Basing future investment decisions on a more complete assessment of the condition and performance of the existing asset base.

The Government's regional policy aims to improve the economic performance of the English regions and to reduce the gap in performance between the regions. The Review of Sub National Economic Development and Regeneration (SNR) sets out a comprehensive package of reform to improve performance. The CSR10 takes forward the conclusions of the SNR.

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The Housing and Regeneration Bill aims to deliver the commitments set out in the Housing Green Paper to provide more and greener homes, in mixed and sustainable communities. The Council has been designated as a Growth Point and is seeking ways to encourage increased levels of affordable housing within the district, working with partners to bring Council owned sites into development for the provision of social and affordable housing.

Although the recent structural changes to local government in England have not brought about a change in governance in local areas in Cumbria, there remains an impetus to increase levels of joint working, to improve the efficiency of service delivery and share accommodation.

The Government is also promoting the community management and ownership of public sector assets, acting on the recommendations of the Quirk Review. It believes that community asset transfer can form part of a strategic approach to the use of local authority assets and that it is an important factor in enabling community organisations to be sustainable. The Council has established a Community Asset Register to monitor and manage this initiative.

The Government recently passed the Climate Change Bill setting ambitious targets for carbon reduction. In line with its Climate Change Strategy and the Nottingham Declaration, the Council has committed itself to tackling environmental improvement and responding to climate change.

A 5-year Carbon Management Plan was developed with support from the Carbon Trust. Along with other Cumbrian Authorities the City Council set a target to reduce carbon emissions by 25% from its buildings, street lighting and transport related functions by April 2013, against a 2007/08 baseline of 6,015 (Note: Figure updated, July 2014 based on new conversion factors) tonnes of carbon. Emissions from buildings accounted for 71% of the carbon baseline. The data recorded shows a steady reduction in emissions up to 2011/12 by which time a 20% reduction had been achieved compared to the base year. However in 2012/13 the level of emissions rose back to 15% below the base year. Projected data (not all figures are available yet, July 2014) for 2013/14 shows an improvement to 18% less than the base year. The emissions are to some extent weather dependent as the consumption of energy for space heating is linked to external temperatures. The trend is downwards and it is anticipated that the target will be eventually be reached, however it could take a few more years.

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9. The Resource Context: Value for Money

The Audit Commission used to measure how well an organisation managed its resources and delivered value for money and better and sustainable outcomes for local people through an annual Use of Resources assessment. This considered:-

“how well the organisation manages its assets effectively to help deliver its strategic priorities and service needs”.

With the changes in national Government which arose in 2010 this framework for measuring the use of resources was discontinued. However, despite this the Asset Management Plan must still demonstrate a Council-wide approach to managing assets as a corporate resource, with the focus on using its assets to help to deliver social, environmental and economic outcomes for local communities. Asset management planning should be fully integrated with corporate and service planning with clear alignment between asset plans and other corporate service plans.

Collaborating with partner organisations on strategic asset management planning remains an important requirement. The Council will continue to develop its strategic approach to working with other bodies to identify opportunities for shared use and alternative options for the management and ownership of its assets.

10. Changes in the External Environment and Implications for Property

The underlying economic factors affecting the national economy apply to Carlisle subject to its relatively isolated and remote location. The City is held back from realising its full potential because generally it has not been considered a prime location for investment by property market decision-makers. In overall terms, its property economy is relatively self-contained on a needs must basis. It is resilient to change and external market movement and influence.

It is mainly sub-regional and local developers and investors who serve the Carlisle property market, with the possible exception of the retail sector. When the UK market shows an upward trend, stability or decline, the Carlisle market follows proportionately – subject to a time delay because of its location.

The City's peaks have been historically, neither high enough nor long enough to attract much national interest – or more importantly, the magnet of institutional funds which finances property development.

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It is the major financial institutions who ultimately control capital flow and investment. It is such institutions that make decisions in the UK property market. These funders prefer rapid rental growth in return for their capital investment in order to secure large rewards quickly and offset risk.

Unless funders are looking for long-term sustainable investment, with a local geographic commitment, developers will prefer more profitable southern locations where rental growth increases more rapidly, and over longer periods.

This risk adverse attitude by the private sector has meant that to date, the public sector has had to be proactive in order to attract development to Carlisle in order to improve economic development opportunities for the community. This is why Carlisle City Council owns the legacy of a considerable property portfolio, and needs to be involved in public/private partnership working.

The changing economic climate, both at a national and local level, arising from the “credit crunch” of a few years ago, restricted borrowing regimes and the continued economic recession, is impacting on the local property market. The Government’s Comprehensive Spending Review, cutting public spending by 25%, to redress the budget deficit, has fuelled further uncertainty in the economy and property markets.

Demand has fallen in all sectors, capital and rental values have decreased. The residential and commercial investment markets, although showing signs of stabilising, still face difficult and uncertain times ahead. There are some indicators pointing towards increasing confidence going forward but overall the downturn in the market has undoubtedly affected the Council’s portfolio, and will influence what we can do, and the way we do it, in the forthcoming years. Notwithstanding this position, apart from the effect of some structural changes to the way certain assets are held, the overall capital value of the portfolio has remained at a relatively static level. There has been some upward and downward movement in market values for particular assets but, excepting the volatility attached to the Council’s retail development asset at Morton, overall this has balanced out to leave the position year on year virtually unchanged. The makeup of the investment portfolio is quite resilient but, rental income has fallen by roughly £250,000 (5%) since the peak of the market in 2007/08. This mainly arises from the retail part of the portfolio and the influence of the Disposal Programme, although recently the retail market has shown faint signs it may have bottomed out and stabilised but, undoubtedly it will be several years before any real growth materialises and, when this does arise, it will be slight.

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11. The Existing Portfolio and Current Performance

Gross Asset Value as at 31 March 2014.

	Operational assets		Non operational assets		Total
	Community Assets	Land & Buildings	Investment	Surplus	
No of assets	71	81	60	2	214
Total income	£30,491	£1,181,796	£4,442,568	£43,261	£5,698,116
Capital value	£3,831,000	£29,822,626	£88,412,000	£550,000	£122,615,626
Capital Expenditure	£1,000	£623,473	£1,697,963	-	£2,322,436
Asset Reserve			£370,000		£370,000
Maintenance backlog		£2,759,100	£2,000,000	-	£4,759,100

NB The total capital spend in 2013/14 was £4.7 million. However this did not all relate to property assets, £0.9 million was Revenue Expenditure Funded from Capital Under Statute which included capital works on assets which are not owned by the Council.

The figure for the maintenance backlog on the operational buildings in the portfolio is based on a costed 5 year plan derived from a rolling programme of Condition Surveys. The figure has decreased by around £211,500 or 7% since last year. This is mainly a result of remedial work carried out under the capital works programme but is also affected by disposal and acquisition of assets.

The figure for the non-operational backlog relates to historical infrastructure costs associated with our industrial estate ground rented portfolio and has not been reviewed for a number of years. There is a suspicion this figure has come down, due to the disposal programme and the capital expenditure which has gone into infrastructure improvements on the Kingstown, Durranhill and Willowholme Industrial Estates over the last few years but, as there is no recent survey data available, this notion can't be substantiated with evidence.

12. Maintenance Backlog

	13/14	14/15	15/16	16/17	17/18
Total Revenue Budget	£646,500	£700,000	£700,000	£700,000	£700,000
Capital Schemes Special Projects	£300,000	£300,000	£300,000	£300,000	£300,000
Ratio Planned: Reactive Maintenance	76 : 24	76 : 24	76 : 24	76 : 24	76 : 24

Based upon property condition surveys, an annual planned maintenance programme has been established for all the operational assets. There is a maintenance backlog; currently £2,759,100 for the portfolio of operational and non-operational buildings, the delivery programme to reduce this incorporates a degree of flexibility and balance in order to respond to the demands and aspirations for service delivery, asset review, and other changing circumstances which may arise during the course of the programme. Members approved a 3 year programme of planned and reactive maintenance on 18 November 2013 (report reference RD58/13). In condition category terms the split is as follows:-

Condition Category (as a % of Gross Internal Area Operational Property)	Sustainable Criteria
A. (Excellent) 58%	Yes
B. (Good) 29%	Yes
C. (Mediocre) 12%	Review
D. (Poor) 1%	No

Improvements in the operational portfolio are mainly due to the upgrading of the Old Town Hall, the new families hostel at Water Street and disposal / demolition of assets in the lower condition categories.

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Energy Efficiency

Reflecting the Council's Environmental Policy and Carbon Management Plan a programme of energy efficiency and renewable energy projects has been carried out. Significant investment has been carried out in recent years. In the last year the amount of investment has been less than in previous years, however contributions have been made by improving the levels of insulation in pitched and flat roofs at the Enterprise Centre and Tullie House, by replacing old single-glazed roof lights with new double-glazed and insulated roof lights at the Civic Centre and Tullie House and by replacing old lighting in the Civic Centre with new smart lighting.

The new solar photovoltaic arrays at the Civic Centre and Sands Centre continue to be successful in terms of electricity generation and income received from the feed in tariff. Both arrays generated more electricity in year 2 than in year 1.

Capital Works and Repairs

The programme of works identified in the Capital Major Repairs Programme is initially shaped by a 5 year maintenance plan produced from condition surveys and adjusted each year to keep abreast with new legislation. The Council has a legal duty to maintain its properties. This programme is required to meet those duties. Report (RD 58/13) was presented to the Executive on the 18th November 2013 with proposals for capital investment for planned major repairs. The business case identified 6 separate projects required to meet the Council's legal obligations and priorities for building maintenance.

The capital schemes special project fund for the programme 2014/15 has been allocated as follows:-

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PROJECT	COST	PRIORITY
Civic Centre - Rewiring and refurbishment of floors 3 and 4	£150,000	Health and Safety / Energy Conservation
Tullie House – Replacement of roof lights over the education room	£20,000	Conservation / Asset protection
Tullie House – Re-covering of flat roof area over the education room	£20,000	Conservation / Asset protection
Enterprise Centre – Re-cover the main flat roof	£60,000	Health and Safety / Asset Protection
West Walls – Stone repairs and re-pointing of historic City Wall	£20,000	Health and Safety / Heritage Conservation
Morton Community Centre - Re-cover flat roof over the reception area	£30,000	Health and Safety / Asset Protection
TOTAL	£300,000	

13. Continuous Review and Challenge

1. The City Council holds a significant, but numerous and diverse, portfolio of assets across Carlisle. This portfolio generates considerable income for the City and has an important impact on the local economy.
2. It has a highly rationalised operational (service occupied) portfolio, with a manageable maintenance backlog, but with scope for further consolidation.
3. It has a diverse and mixed non-operational (predominantly commercial and industrial) portfolio which through rationalisation is becoming more efficient but has considerable further potential.
4. The Council possesses a good portfolio and has a record of using property well to meet its aims; it is planning for future investment and development to allow it to continue to do this.

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5. The opportunity has been grasped to take a more dynamic and commercial approach to the management of the portfolio in order to strategically balance the need for operational assets, income generation and economic development, in support of the local economy, the protection of public services and other priority objectives.
6. The Transformation Programme has identified the need for further rationalisation and consolidation of the operational property to improve access to public services and efficiency.

Accommodation Review

An Accommodation Review is embedded in the organisation as an integral part of the Transformation Programme to review corporate accommodation, both back office and front public facing service delivery properties. This comprises a comprehensive analysis of accommodation needs and the existing provision, exploring future solutions and implementing the most beneficial models for the Authority. It seeks to deliver effective and efficient accommodation that suits the needs of each service, establish a more corporate approach to accommodation, make more effective use of space, improve the working environment and make the accommodation as productive as possible. The project will be on going over several years, and will be undertaken in phases. It will cover all the City's operational buildings with an initial focus on the Civic Centre, Boustead's Grassing and the Depots. The project's outcomes must deliver:-

- Corporate standards for accommodation;
- Efficient and effective accommodation for all Council staff & operations;
- Consolidation of office staff and functions into the Civic Centre;
- Maximisation of usage of occupied accommodation and delivery efficiencies;
- Maximise potential revenue streams;
- Identify and meet target capital receipt savings and income.

To date the review has achieved the following improvements to the portfolio:-

- Centralisation of back office delivery with the closure and demolition of part of Boustead's Grassing and transfer of staff to the Civic Centre;
- Improved space utilisation in the Civic Centre;

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- Continued development of the Customer Contact Centre as a public service centre hub;
- The letting and sharing of office space with other public sector providers;
- An interim rationalisation of the Councils Depots, Willowholme Depot has been sold, Staffield House has been declared surplus to requirements and is on the market for sale;
- Provision of a new Women's and Family Hostel in Water Street to replace the existing facility.

The challenges going forward are to further examine space utilisation in the Civic Centre; the continued reduction in staff during 2013/14 has led to a deterioration in the occupancy rate and increased costs per full time employee (FTE), and to find new occupiers to share the surplus accommodation, reduce overall costs in use, and compliment the Council's ambitions to improve public access to a wider range of customer services through the Contact Centre. Also, with the recent transfer of retained Highway Rights back to the County Council there is a need, in the light of future service requirements, to further examine the utilisation and retention of Boustead's Grassing as sustainable Depot and the possible requirement for alternative provision.

Asset Review Business Plan

An asset review and investigation into the options for the development of a new approach to the management and use of the portfolio has been concluded with the adoption by Council in January of an Asset Review Business Plan (Report Ref. CE 39/10 refers).

The strategic objectives of the Plan are broadly to have:-

- Clear and separately focused management of the operational, investment and economic development assets.
- Fewer higher value assets which will give a better yield and are cheaper and easier to manage
- The latent value and development opportunities embedded in the portfolio unlocked and released for reinvestment.

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- Well maintained assets which will continue to be attractive to tenants and occupiers.
- Increased returns through higher income and lower outgoings.

To provide clear segregation between the objectives and priorities for each asset the portfolio has been divided into 3 distinct categories established as follows:-

1. Operational Assets – properties that are needed in order to carry out the Council's day to day business and deliver services or are required and retained for public benefit. The task here is to create through rationalisation an efficient and sustainable portfolio which is fit for purpose.
2. Economic Development Assets – properties that are identified or acquired for strategic purposes to stimulate and deliver economic development activity leading to growth and regeneration of the City and District.
3. Investment Assets – properties where the sole function is to deliver the maximum financial return for the Authority through revenue receipts and capital growth which meets set targets and criteria.

The next step in the implementation of the Business Plan is to put in place the management structures and resource capacity to deliver the 3 portfolio areas and the overarching strategic asset management. These changes are taking place within the context of the Transformation Programme.

Disposal Programme

The Business Plan recognises that the current Investment portfolio needs re-engineering through a process of rationalisation to consolidate the asset base and improve overall financial returns through reinvestment or acquisitions. The Plan aims at realising £24m through the disposal over a 4 year period of 51 assets which are underperforming or have embedded value which can be realised. The proceeds will be used to generate additional income to support budget and efficiency savings and help protect and secure service delivery into the future.

Outcomes:

In line with expectations individual asset receipts have produced results on, below and above target figures. To date 28 assets have been sold realising total gross receipts of circa £6.4 million. Overall the returns show an increase of approximately 20% (Morton excluded) above the business plan estimates.

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The market appears to be hardening for certain types of asset; at this juncture in the programme there is no reason to suspect the current trends and levels of return will not continue however, we have adopted a conservative approach and these increases have not been built into future sale projections. The programme plan for this year 2014/15 has been refreshed and re profiled, it aims to deliver circa £1.9m in capital receipts from the disposal of 11 assets in line with the requirements of the MTFP. It will also look at the future release and disposal of assets, with potential to supply land for future housing development, into the private and social housing sectors.

Reinvestment Options:

The Business Plan envisages capital receipts will be used to generate additional revenue and support purchases in the economic development and operational property portfolios.

Opportunity purchases into the Economic Development and Operational portfolios have been completed to consolidate the Council's existing ownership and land holdings in Rickergate with the acquisition of properties in the Warwick St area. This includes the Old Carlisle Fire Station, which following a scheme of refurbishment and capital improvements, will become an Arts Centre for the City, and Herbert Atkinson House adjoining Tullie House.

Purchases into the investment portfolio have been undertaken with the acquisition of a leasehold interest in the Woolworths Building, English Street, other options and opportunities are being investigated and are underway, including the acquisition of employment land at Morton. The Council is also examining the options and feasibility for alternative approaches to the asset and estate management of its investment land holdings at Kingstown and Parkhouse.

Economic Development Portfolio:

The assets within this portfolio are directed towards supporting and creating opportunities for the growth of the City using employment, housing and retail development land. Enhancements are being undertaken to Durranhill Industrial Estate, with £250,000 grant funding from the Homes and Community Agency, to improve the access and make environmental improvements. Marketing of the former Border TV site, a key gateway site at the entrance to the Estate, will commence shortly.


14. Summary

1. The Council has the Governance & Resources Portfolio Holder responsible for asset management.
2. Members are aware and have approved a plan to address backlog maintenance.
3. Performance measures, which are being improved upon, are in place to evaluate asset use in relation to corporate objectives.
4. The Council has a highly rationalised and suitable service occupied portfolio with a manageable maintenance backlog which it will seek to improve through the Accommodation Review; it has a considerable commercial portfolio, which is generating substantial rental income.
5. The Council's asset base has considerable latent value, which if unlocked through the new Asset Review Business Plan and Disposal Programme, will help provide more robust support to economic development initiatives, generate additional income and provide a portfolio which is cheaper and easier to manage.
6. The Council is looking at opportunities for rationalising the portfolio and sharing accommodation with other public bodies and partner organisations.

APPENDIX I

NATIONAL PROPERTY PERFORMANCE INDICATORS

APPENDIX I

 CARLISLE CITY COUNCIL www.carlisle.gov.uk	Asset Management Plan		
	Appendix : Property Performance Indicators		
COPROP Property Management Initiative Property Performance Indicators (PMI's)			
<u>PMI 1A: % gross internal floor-space in condition categories A- D</u>			
	<u>Mar-12</u>	<u>Mar-13</u>	<u>Mar-14</u>
(a) Schools: Good condition (category A) Satisfactory condition (category B) Poor condition (category C) Bad condition (category D)	n/a n/a n/a n/a	n/a n/a n/a n/a	n/a n/a n/a n/a
(b) Other Land & Buildings: Good condition (category A) Satisfactory condition (category B) Poor condition (category C) Bad condition (category D)	49.1 32.6 12.8 5.5	50.8 31.4 12.5 5.3	59.3 28.8 11.0 0.9
(c) Community Assets: Good condition (category A) Satisfactory condition (category B) Poor condition (category C) Bad condition (category D)	n/a n/a n/a n/a	n/a n/a n/a n/a	n/a n/a n/a n/a
(d) Non-operational assets: Good condition (category A) Satisfactory condition (category B) Poor condition (category C) Bad condition (category D)	0 38.3 0 61.7	0 30.7 0.8 68.5	0 27.8 7.3 64.9
Objective:- To measure the condition of the asset for its current use			
Definitions:- A: Good – Performing as intended and operating efficiently B: Satisfactory – Performing as intended but showing minor deterioration C: Poor – Showing major defects and/or not operating as intended D: Bad – Life expired and/or serious risk of imminent failure			
Comments:- We do not currently hold the required level of information on our Community assets and this information will be collated in due course. Non-operational assets include our investment portfolio of individual shops and offices, workshops and the Enterprise Centre. It does not include our ground lease portfolio. The marginal overall shift in improvement			

ASSET MANAGEMENT PLAN 2014-2019

on the operational properties is due to the new buildings coming into the portfolio such as the Water Street accommodation and the moth-balling of Stafffield House. The decline in performance of the non-operational portfolio is largely due to the relatively high proportion of poor quality assets left on the books as a consequence of the disposal programme. For example, the Enterprise Centre now accounts for 65% of non operational floor space.

ASSET MANAGEMENT PLAN 2014-2019



Asset Management Plan

Appendix : Property Performance Indicators

PMI 1B: required maintenance by cost expressed (i) as total cost in priority levels 1-3; (ii) as a % in priority levels 1-3; and (iii) overall cost per m² GIA

	Mar-12		Mar-13		Mar-14	
	£	%	£	%	£	%
(a) Schools						
Urgent repairs (priority 1)						
Essential repairs (priority 2)						
Desirable repairs (priority 3)						
Total						
Overall Cost per m ² GIA						
(b) Other Land & Buildings						
Urgent repairs (priority 1)	397,800	16	325,600	15	183,000	10
Essential repairs (priority 2)	1,684,900	68	1,460,425	68	1,449,000	73
Desirable repairs (priority 3)	385,725	16	353,600	17	341,100	17
Total	2,468,425		2,139,625	100	1,973,100	100
Overall Cost per m ² GIA	49.94		41.59		36.82	
(c) Community Assets:						
Urgent repairs (priority 1)	n/a		n/a		n/a	
Essential repairs (priority 2)	n/a		n/a		n/a	
Desirable repairs (priority 3)	n/a		n/a		n/a	
Total	n/a		n/a		n/a	
Overall Cost per m ² GIA	n/a		n/a		n/a	
(d) Non-operational Assets:						
Urgent repairs (priority 1)	0	0	0	0	0	0
Essential repairs (priority 2)	841,000	100	561,000	68	516,000	66
Desirable repairs (priority 3)	0		270,000	32	270,000	34
Total	841,000		831,000	100	786,000	100
Overall Cost per m ² GIA	138.82		124.03		118.32	

Objective:-

Measure required maintenance.

Definitions:-

Urgent works that will prevent immediate closure of premises and/or address an immediate high risk to the health and safety of the occupants and/or remedy a serious breach of legislation.

Essential work required within two years that will prevent serious deterioration of the fabric of the services and/or address a medium risk to the health and safety of the occupants and/or remedy a minor breach of the legislation.


ASSET MANAGEMENT PLAN 2014-2019

Desirable work required within 3 to 5 years that will prevent deterioration of the fabric or services and/or address a low risk to the health and safety of the occupants and/or a minor breach of the legislation.

Comments:-

Non-operational assets include our investment portfolio of individual shops and offices, workshops and the Enterprise Centre. It does not include our ground lease portfolio. Slightly improving overall picture to the operational portfolio as capital expenditure has been targeted at urgent work.

ASSET MANAGEMENT PLAN 2014-2019

 <p>CARLISLE CITY COUNCIL</p> <p>www.carlisle.gov.uk</p>	Asset Management Plan
	Appendix: Property Performance Indicators

PMI 1C: Annual Percentage change to total required maintenance figure over previous year

	Mar-14
Total Required Maintenance	£2,759,100
Annual % Change in total required maintenance from previous year	-7

Objective:- Measure changes in spend on maintenance.

Definitions:-

Required maintenance is defined as “The cost to bring the property from its present state up to the state reasonably required by the authority to deliver the service and/or meet statutory or contract obligations and maintain it at the standard”.

Spend on maintenance covers the total repair and maintenance programme (reactive and planned) including any associated fees for the work. It should also include any capital spending on repair and maintenance.

Comments:-

The total backlog maintenance liability figure shows a reduction from last year. This is attributable to the ongoing process of rationalisation across the portfolio and the disposal/replacement of high maintenance and costly properties.

PMI 1D: Maintenance Spend

		2012/13	2013/14
(i)	Total spend on maintenance	962,654	897,613
(ii)	Total spend on maintenance per m ² GIA	£16.55	£14.90
(iii)	Planned/reactive maintenance split	76%:24%	76%:24%

Objective:- Show split in type of maintenance

Definition of Planned and Reactive Repairs:-

Planned – If the work is part of a regular routine e.g. removing leaves from gutters, re-decorations, replacing worn out items, routine servicing of plant etc.



Reactive – If the work is unexpected e.g. leaking roof, broken toilet seat etc. This would include urgent/critical work identified during routine servicing.

To be classified as planned, you do not necessarily need to have known in advance that you would be arranging the work at a specific point in time but you were aware that work would be needed.

Comments:-



Reduced annual spend reflecting the budgetary constraints on resources available to look after the portfolio.

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	Appendix: Property Performance Indicators



PMI 2 A, B & C Environmental Property Issues				
		2011/12	2012/13	2013/14
A	Energy Cost – total spend (£)			
	Energy Total Consumption (kwh)	10,427,445	11,807,588	11,543,580
	Energy Cost per m ² (£/m ²)			
	Energy Consumption per m ²	286.79	324.76	317.5
B	Water Cost – total spend (£)			
	Water Total Consumption (m ³)	8,137	7,930	8,635
	Water Cost per m ² (£/m ²)			
	Water Consumption per m ² (m ³ /m ²)	0.92	0.89	0.97
C	CO2 Total Emissions (kg CO ²)	2,977,834	3,265,622	3,141,560
	CO2 total Emissions/m ² (kg CO ² /m ²)	81.9	89.82	86.4
To encourage efficient use of assets over time and year-on-year improvements in energy efficiency.				
Definitions:- To reduce environmental impacts of operational property. To highlight areas of poor or mediocre energy and water efficiency/performance and act as a catalyst for improvement. To compliment the process for 'Energy Certificates'. To support the assessment of property performance together with condition and suitability within the framework of Asset Management Planning.				
Comments:- Although generally recognised that energy costs are increasing the effect of this has been offset by a reduction in consumption. This is attributable to energy saving conservation projects which have been adopted but also due to shrinking operations arising from the Transformation process. The rise in the water consumption figure over last year is excessive and over expectations, and is thought to have arisen due to incorrect billing figures in 2012/13.				

ASSET MANAGEMENT PLAN 2014-2019

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	Appendix: Property Performance Indicators


PMI 3 A & B: Suitability Surveys (Local Indicator)			
	Mar-12	Mar-13	Mar-14
% of Portfolio by GIA m ² for which a Suitability Survey has been undertaken in the last 5 years	Not available	Not available	Not available
Number of properties, for which a Suitability Survey has been undertaken over the last 5 years	Not available	Not available	Not available
Objective:- For Local Authorities to carry out Suitability Surveys enabling them to identify how assets support and contribute to the effectiveness of frontline service deliveries i.e. are they fit for purpose.			
Definitions:- To be reported for all operational buildings (excluding Schools) occupied by the Local Authority. To ensure that the property meets the needs of the user. To enable key decisions to be made.			
Comments:- Suitability surveys will be undertaken on a phased basis as and when resources allow.			

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	Appendix: Property Performance Indicators

PMI 4 A, B, C & D: Provision of access to buildings for people with disabilities			
		Mar-13	Mar-14
A	% of Portfolio by GIA sq.m for which an Access Audit has been undertaken by a competent person	76.11%	80%
B	Number of properties for which an Access Audit has been undertaken by a competent person	36	37
C	% of Portfolio by GIA sq.m for which there is an Accessibility Plan in place	76.11%	80%
D	Number of properties for which there is an Accessibility Plan in place	36	37
BV 156	% Percentage of authority buildings open to the public in which all public areas are suitable for and accessible to disabled people	84.4%	84.8%
Objective:- To monitor progress in providing access to buildings for people with disabilities.			
Definitions:- To monitor the progress at which Local Authorities carry out access audits. To enable key decisions to be made.			
Comments:- Further audit inspections have been undertaken. The slight improvement year on year is due to a higher proportion of non-compliant properties being disposed together with the acquisition of compliant accommodation. A level of accessibility has now been attained such that further progress with these indices will be difficult to achieve without considerable capital expenditure.			

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	Appendix: Property Performance Indicators

PMI 5 A & B: Sufficiency (Capacity and Utilisation) Office Portfolio

		Mar-13	Mar-14
A1a	Operational office property as a percentage (% GIA m ²) of the total portfolio	20.6%	19.33%
A1b	Office space per head of population	0.11 sq m	0.11 sq m
A2	Office space as a % of total floor space in operational office buildings using NOS to NIA	78%	78.2%
A3a	The number of office or operational buildings shared with other public agencies	1	1
A3b	The % of office or operational buildings shared with public agencies	50%	50%
B1	Average office floor space per number of staff in office based teams (NIA per FTE)	14.72 sq m	16 sq m
B2	Average floor space per workstation (not FTE)	11.82 sq m	12.13 sq m
B3	Annual property cost per workstation (not FTE)	£1112.51	£1162.99

Objective:-

To measure the capacity and utilisation of the office portfolio. There is an implicit assumption that services should be delivered in the minimum amount of space as space is costly to own and use. For a similar reason an authority should occupy a minimum of administrative accommodation.

Definitions:-

To identify the intensity of use of space.

To assist councils to identify and minimise assets which are surplus or not in use.

To minimise costs of assets (or avoidance of costs from acquiring more space) through intensification of use.

To measure the level of usage.

Net Internal Area (NIA): The usable area within a building measured to the internal face of the perimeter walls at each floor level.



Net Office Space (NOS): NIA less primary circulation space, civic areas, reception areas, canteen facilities and basement store.

Full Time Equivalent (FTE): No of staff based in the building expressed in full time equivalent terms.

Comments:-


Recent improvements in occupancy rates, achieved through the Accommodation Review, have deteriorated within the Civic Centre. The lower utilisation rate has arisen from staff reductions; there are now more empty desks throughout the building, highlighting a need for further review to redress the shortfalls.

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	Appendix : Property Performance Indicators

PMI 6: Spend		
	Mar-13	Mar-14
Gross Property Costs of the operational estate as a % of the Gross Revenue Budget	2.26%	2.74%
Gross Property Costs per m ² GIA by CIPFA Categories/Types:	£/m2	£/m2
Schools		
Operational Buildings	29.26	31.96
Community Assets	N/A	N/A
Non-operational Assets	18.06	17.47
Objective:- To measure the overall property costs and changes over time. This will be backed up by a number of local indicators relating to the various elements of buildings.		
Comments:- Total running costs show an increase on last year's figures as a proportion of the total gross revenue budget, this is mainly associated with the increased spend on the plant within the Crematorium.		

ASSET MANAGEMENT PLAN 2014-2019

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	Appendix : Property Performance Indicators

PMI 7 A, B, C & D: Time & Cost Predictability		Mar-13	Mar-14
A	The % of projects where the actual time between Commit to Design & Commit to Construct is within, or not more than 5% above, the time predicted at Commit to Design	90%	90%
B	The % of projects where the actual time between Commit to Construct & Available for Use is within, or not more than 5% above, the time predicted at Commit to Construct	100%	100%
C	The % of projects where the actual cost at Commit to Construct is within +/- 5% of the cost predicted at Commit to Design	100%	90%
D	The % of projects where the actual cost at Available for Use is within +/- 5% of the cost predicted at Commit to Construct	90%	100%
Objective:- To measure time and cost predictability pre and post-contract. To identify variability through the design and construction phases of the project, with the added flexibility of optional "local" indicators to start the measures at an earlier stage.			
Comments:- A cautious approach is taken to target setting for project timescales. Costs limits are strictly enforced and projects are amended to meet the budget if unforeseeable events result in increases beyond the contingency sum. This is reflected in the indicator result. In respect of (A) the 90% outturn figure reflects the unusually lengthy internal consultation/design process for the F & F A scheme. In respect of (C), the 90% outturn figure reflects that the F&FA tender came in over budget, but after value engineering it was brought in under budget			

APPENDIX II

LOCAL PERFORMANCE INDICATORS

Local Performance Indicators

Indicator	09/10 Actual	10/11 Actual	11/12 Actual	12/13 Actual	13/14 Target	13/14 Actual	Comments
BV 156 Percentage of buildings open to the public suitable for and accessible to disabled people	82%	83.8%	83.9%	84.4%	85%	84.8%	The slight improvement is due to a higher proportion of non-compliant buildings being disposed of. Improved performance on the remaining buildings will be increasingly difficult to achieve due to capital costs and the nature of the portfolio i.e. Listed Buildings.
MI 931 C1 Maximise the occupancy of Council's commercially let business units	87.96%	88.03%	87.87%	85.92%	90%	82.01%	The target going forward remains the same reflecting the unchanged market conditions. The disposal of a significant proportion of our workshop portfolio, relatively well let, has impacted negatively on this indicator.

EXCERPT FROM THE MINUTES OF THE EXECUTIVE HELD ON 21 JULY 2014

EX.69/14 DRAFT ASSET MANAGEMENT PLAN
(Key Decision – KD.15/14)

Portfolio Finance, Governance and Resources

Relevant Overview and Scrutiny Panel Resources

Subject Matter

The Finance, Governance and Resources Portfolio Holder presented report GD.29/14 on the draft Asset Management Plan 2014 – 2019.

The Finance, Governance and Resources Portfolio Holder outlined the background to the matter, reminding Members that the draft Asset Management Plan was being updated to reflect the key issues and changes affecting the management and use of the City's property resources, and the impact of the Asset Review Business Plan approved by Council in January 2011 details of which were provided.

The Plan also reported on the current position and performance of the Portfolio and the Asset Disposal Programme.

The Finance, Governance and Resources Portfolio Holder moved, and the Leader seconded, the recommendation that Members note the position and approve the update to the Draft Asset Management Plan in order for it to proceed for consideration by the Resources Overview and Scrutiny Panel, back to the Executive and then to full Council.

Summary of options rejected None

DECISION

That the Executive:

1. Noted the position as set out in Report GD.29/14.
2. Approved the update to the draft Asset Management Plan in order for it to proceed for consideration by the Resources Overview and Scrutiny Panel, before coming back to the Executive and full Council in September 2014.

Reasons for Decision

To update the Council's Asset Management Plan and the position of the property portfolio in the light of the Asset Review Business Plan and Disposal Programme, and other corporate initiatives

EXCERPT FROM THE MINUTES OF THE RESOURCES OVERVIEW AND SCRUTINY PANEL HELD ON 7 AUGUST 2014

ROSP.45/14 DRAFT ASSET MANAGEMENT PLAN

The Finance, Governance and Resources Portfolio Holder presented report GD.33/14 on the draft Asset Management Plan 2014 – 2019.

The Finance, Governance and Resources Portfolio Holder outlined the background to the matter, reminding Members that the draft Asset Management Plan was being updated to reflect the key issues and changes affecting the management and use of the City's property resources, and the impact of the Asset Review Business Plan approved by Council in January 2011 details of which were provided.

The Plan also reported on the current position and performance of the Portfolio and the Asset Disposal Programme.

The Executive had noted the report on 21 July 2014 (EX.69/14 refers) and made it available for Scrutiny.

In considering the draft Asset Management Plan members raised the following comments and questions:

- *With regard to the maintenance programme how were properties prioritised?*

The Finance, Governance and Resources Portfolio Holder explained that prioritisation was based on the best use of the best buildings. It may sometimes be necessary to divest an underperforming property to obtain a better building.

- *Was there a maintenance policy in place?*

The Property Services Manager explained that the Building Facilities Manager inspected the Council's properties regularly and any repairs were logged and outstanding repairs were monitored. A decision would then be made on the priorities in order to improve performance and reduce the maintenance backlog.

RESOLVED – 1. That report GD.33/14 be noted.

EXCERPT FROM THE MINUTES OF THE EXECUTIVE HELD ON 18 AUGUST 2014

EX.81/14 **ASSET MANAGEMENT PLAN 2014 - 2019
(Key Decision – KD.15/14)

(In accordance with Paragraph 15(i) of the Overview and Scrutiny Procedure Rules, the Deputy Mayor had agreed that call-in procedures should not be applied to this item)

Portfolio Finance, Governance and Resources

Relevant Overview and Scrutiny Panel Resources

Subject Matter

Pursuant to Minute EX.69/14, the Finance, Governance and Resources Portfolio Holder presented report GD.34/14 concerning the draft Asset Management Plan 2014 – 2019.

The Portfolio Holder outlined the background to the matter, reminding Members that the draft Asset Management Plan was reviewed annually and updated to reflect the key issues and changes affecting the management and use of the City's property resource, together with the impact of the Asset Review Business Plan approved by Council in January 2011. The Plan also reported on the current position and performance of the Portfolio and the Asset Disposal Programme.

This year the Asset Management Plan had been revised to reflect changes covering:

- The Asset Review Business Plan & Disposal Programme – progress on the implementation of the Plan, the impact on the Portfolio and its future management.
- Structural changes in the portfolio – the makeup of the operational and non-operational assets, current capital worth and rental levels.
- Performance of the assets – an update to the National and Local Performance Indicators used to gauge how the Portfolio was doing.
- Condition of the Portfolio – the standard of the Council's properties, current maintenance backlog and where it lay, its suitability and sustainability for future use, and the steps which were being taken to improve energy efficiency.
- Accommodation Review – the outcomes, achievements and next steps to improve the use and efficiency of the Council's operational property used for back office or front line service delivery.

- Capital Schemes and Maintenance Budget – where the expenditure was going to sustain, maintain and improve the Portfolio.
- Market conditions and the economy – how that would impact on the Portfolio and the delivery of the Disposal Plan.
- Property acquisitions – what had been done to implement the Business Plan proposal and requirement to reinvest in assets which would produce income to maintain service delivery, support economic development initiatives and deliver operational services.

The Resources Overview and Scrutiny Panel had scrutinised the matter on 7 August 2014 and resolved that report GD.33/14 be noted. A copy of Minute Excerpt ROSP.45/14 had been circulated.

The Chairman of the Resources Overview and Scrutiny Panel informed the Executive that, although Panel Members had some concerns, their questions had been answered at the meeting. He added that the Panel was assured that the Asset Management Plan would continue to evolve and Members were happy with that assurance.

In conclusion, the Finance, Governance and Resources Portfolio Holder moved the recommendation which was duly seconded by the Leader.

Summary of options rejected None

DECISION

1. That the Executive had considered the comments of the Resources Overview and Scrutiny Panel as detailed within Minute ROSP.45/14.
2. That the Asset Management Plan, as attached to Report GD.34/14, be referred to the meeting of the City Council on 9 September 2014 for adoption.

Reasons for Decision

To update the Council's Asset Management Plan and the position of the property portfolio in the light of the Asset Review Business Plan and Disposal Programme, and other corporate initiatives

Report to Council

**Agenda
Item:**

17(vi)

Meeting Date: 9th September 2014
Portfolio: Economy and Enterprise
Key Decision: Yes: Recorded in the Notice Ref:KD
Within Policy and
Budget Framework YES
Public / Private Public

Title: NORTH PENNINES AONB MANAGEMENT PLAN
Report of: Director of Economic Development
Report Number: ED 33/14

Purpose / Summary:

The Council has a statutory duty to prepare and review management plans for each of the two Areas of Outstanding Natural Beauty (AONBs) which cross its administrative boundary. For the North Pennines this work is delivered on the Council's behalf by the North Pennines Partnership. The Council needs to adopt the Management Plan in order to continue to meet its statutory duty.

Recommendations: that Council adopt the North Pennines AONB Management Plan

Tracking

Executive:	18/08/14
Overview and Scrutiny:	N/A
Council:	09/09/14

1. BACKGROUND

- 1.1** The North Pennines AONB covers 30 square miles in the south eastern corner of the district. It includes the villages of Cumrew, Castle Carrock, Talkin and Hallbankgate, together with a number of smaller rural communities such as Forest Head, Tindale and Midgeholme. The AONB lies cumulatively within the administrative boundaries of five local authorities: Carlisle, Northumberland, Durham, Eden and Cumbria.
- 1.2** The North Pennines is the second largest AONB in England and Wales. It includes significant areas of remote and undeveloped upland, characterised by heather moors and blanket bog. It is celebrated for its tranquillity, industrial heritage, wildlife and geodiversity. It was designated as Britain's first UNESCO Geopark. The AONB lies between the Yorkshire Dales and the Northumberland National Parks, and the Pennines form a dramatic backdrop to the eastern edge of Carlisle District.
- 1.3** AONBs are statutory landscape designations of national importance and are made under the National Parks and Access to the Countryside Act. The primary purpose of AONB designation is to conserve and enhance the natural beauty of the area. In pursuing the primary purpose, account should be taken of the needs of agriculture, forestry and other rural industries, and of the economic and social needs of the local communities.
- 1.4** The Council has a statutory duty as set out in Section 89 of the Countryside and Rights of Way Act 2000 to prepare and review Management Plans for each of the two Areas of Outstanding Beauty (AONBs) that lie within and across its administrative boundaries. For the North Pennines, this work is delivered by the AONB Partnership. The Partnership operates under a Memorandum of Agreement jointly with Eden District Council, Durham, Northumberland and Cumbria County Councils, Natural England and Defra. Carlisle City Council is represented by a nominated member on the Partnership, and an officer on the Executive Steering Group.

2. PROPOSALS

- 2.1** The first statutory management plan for the AONB was written in 2004. This was reviewed and redrafted in 2009. The Partnership has recently reviewed and redrafted the 2009 existing management plan, to ensure that it is fit for purpose to

guide the management of the nationally protected landscape for the period 2014 – 2019.

- 2.2** The Management Plan highlights the special qualities of the AONB and the importance of different features; presents an integrated vision for the future of the AONB in the light of national, regional, and local priorities; sets out agreed policies and guidelines that incorporate that incorporate specific objectives to secure the vision; identifies what needs to be done, by whom and when in order to achieve these outcomes; and states how the condition of the AONB and the effectiveness of its management will be monitored.
- 2.3** The purpose of a Management Plan is for a local authority to formulate their policy for the management of their AONB and for the carrying out of their functions in relation to it. Whilst it is not a land use planning document in the same way as the Local Plan, it has direct and complementary links to the current draft Carlisle District Local Plan as follows:
- landscape conservation - both plans seek to ensure planning and land management decisions reflect local landscape character. The protection of the AONB and its setting from major wind turbine development is highlighted in both Plans;
 - development – there are a number of villages within the North Pennines AONB with the capacity for housing and rural business developments etc. Policy 61 in the Local Plan seeks to ensure that development in or affecting AONBs will only be permitted where it does not, individually or cumulatively, have a significant adverse impact on the special qualities or statutory purpose. The AONB Management Plan seeks to prioritise the conservation of tranquillity, wildness and remoteness, industrial heritage and geodiversity;
 - rights of way – actions in the Management Plan seek to ensure that the rights of way network is protected and maintained to a high standard. Actions are also supportive of sensitively designed highways schemes, and the sustainable management of verges. This is complemented by Policy 64 in the Local Plan which seeks to ensure that new development does not impact upon existing rights of way. When new development is proposed, local improvements and extensions to the rights of way network may be sought as part of the proposals
- 2.4** The Management Plan will help to conserve and enhance the special qualities of the North Pennines for the next five years. It will be used to develop projects and facilitate cooperation and change with statutory agencies, landowners, managers,

businesses and the local community. The Management Plan is linked to annual action plans that will be monitored to measure success and achievement. The work is guided by the AONB partnership committees, which includes a member from Carlisle City Council. The staff unit and Partnership committee are given support by a Council officer through a technical officers group, and on projects and issues as and when necessary.

3. CONSULTATION

- 3.1** A Council officer has been involved in guiding the review of the Management Plan, and the member representative (the Portfolio holder for Economy, Enterprise and Housing) has taken an overview on the officer response and subsequent amendment of the plan. The Management Plan was consulted on across the whole AONB area in late Autumn 2013.
- 3.2** Consultation was carried out through members of the Partnership's working groups, Partnership members and people from a wide range of conservation, land management, tourism and other organisations. Comments received on the draft Plan were received by the Partnership, the responses were approved by the Partnership, discussed separately with the local planning authorities and made available through the Partnership web site.

4. CONCLUSION AND REASONS FOR RECOMMENDATIONS

- 4.1** The North Pennines AONB Management Plan needs to be adopted by the Council in order for it to deliver its statutory duty. It is considered that the process followed and the content of the Management Plan is consistent with other plans and policies of the Council. The Management Plan will be instrumental in conserving and enhancing our nationally protected landscape. It will help with the development of a range of projects and assist with securing external project funding for project implementation.

5. CONTRIBUTION TO THE CARLISLE PLAN PRIORITIES

- 5.1** The Management Plan and the Council's ongoing work with the North Pennines Partnership contributes to the Carlisle Plan priorities of, 'Working more effectively with partners to achieve the City Council's priorities'.

Contact Officer: Jillian Hale

Ext: xt 7191

Appendices North Pennines AONB Management Plan 2014 - 2019
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 - none

Deputy Chief Executive – none

Economic Development – the North Pennines AONB provides a high quality landscape of national importance for nature conservation, biodiversity and tourism.

Governance – the Council has a statutory duty under section 89 (5) of the Countryside and Rights of Way Act 2000 to review the AONB Management Plan at not more than 5 yearly intervals.

Local Environment – none

Resources - as part of a three year Memorandum of Agreement the Council makes an annual contribution to the Core Funding of the North Pennines AONB Partnership of £7235. Provision for this is made from the Environmental Grant budget.



North Pennines Area of Outstanding Natural Beauty Management Plan 2014-2019

North Pennines Area of Outstanding Natural Beauty

Management Plan

2014-19

Strategy and Action Plan

Ministerial Foreword

Areas of Outstanding Natural Beauty (AONBs) are some of our finest landscapes. They are cherished by residents and visitors alike and allow millions of people from all walks of life to understand and connect with nature. I am pleased to see that this management plan demonstrates how AONB Partnerships can continue to protect these precious environments despite the significant challenges they face. With a changing climate, the increasing demands of a growing population and in difficult economic times, I believe AONBs represent just the sort of community driven, collaborative approach needed to ensure our natural environment is maintained for generations to come.

AONB Partnerships have been the architects of a landscape-scale approach to land management. This approach is a key feature of the Government's Natural Environment White Paper and emphasises the need to manage ecosystems in an integrated fashion, linking goals on wildlife, water, soil and landscape, and working at a scale that respects natural systems.

This management plan also makes the important connection between people and nature. I am pleased to hear that local communities will be at the heart of its delivery. From volunteers on nature conservation projects, to businesses working to promote sustainable tourism, it's great to hear of the enthusiasm and commitment of the local people who hold their AONBs so dear. AONBs are, and will continue to be, landscapes of change. Management Plans such as this are vital in ensuring these changes are for the better. I would like to thank all those who were involved in bringing this plan together and I wish you every success in bringing it to fruition.

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1. The plan and the designation

1.1 AONBs and their Management Plans

Areas of Outstanding Natural Beauty are designated by the Government for the purpose of ensuring that the special qualities of the finest landscapes in England, Wales and Northern Ireland are conserved and enhanced. The primary purpose of AONB designation is to conserve and enhance the natural beauty of the area, as confirmed by Section 82 of the *Countryside and Rights of Way Act 2000* (CROW Act).

AONBs are unique and irreplaceable national assets. There are 34 AONBs in England, covering 15% of the land area, and a further four in Wales and eight (on a different legislative basis) in Northern Ireland. They range in size from the Isles of Scilly (16km²) to the Cotswolds (2038 km²).

The Government has confirmed that the landscape qualities of National Parks and AONBs are equivalent, so the protection given by the land use planning system to natural beauty in both types of area should also be equivalent. The AONB designation is also of international importance, recognised as a Category V Protected Landscape by the International Union for the Conservation of Nature (IUCN).

Sections 88 and 89 of the Countryside and Rights of Way Act (2000) state that local authorities (acting jointly where relevant) and Conservation Boards must prepare and publish a Management Plan for their AONB, which must then be reviewed at intervals of no more than five years. **The Act says that such plans should 'formulate the policy' of local authorities in relation to their AONB(s).**

Additional responsibilities are placed on local authorities and the planning system:

- AONBs are defined within the EIA Regulations for specific consideration as a "sensitive area".
- The CROW Act Section 85 Duty of Regard requires all public bodies, down to parish council level, to consider the AONBs nationally protected status in any land use related decisions. This includes planning applications and the formulation of Local and Neighbourhood Plans.
- AONB Management Plans have been recognised to form a 'material consideration' in the planning decision making process.
- Land within AONBs is recognised differently under the Town and Country Planning Act as Article 1(5) land (which for example restricts certain permitted development rights).

However, AONB Management Plans are not formally recognised in the planning system and are not part of the Development Plan. Where they have been used as part of an evidence base or locally 'adopted' (e.g. as SPD) this is at the discretion of the local planning authority (LPA). Thus while an LPA has a duty to have regard to the conservation and enhancement of natural beauty (as defined by, and the appropriate management of the area, being set out in the statutory Management Plans), this is achieved through collaboration with AONB Partnerships and by reference to AONB Management Plans as a material consideration - there are a number of cases where AONB Management Plans have been accepted on appeal to form a material consideration when considering planning applications. **This is also achieved through**

having Local Plan policies in place which give great weight to the purpose of AONB designation

The first statutory Management Plan for the North Pennines AONB was produced by the AONB Partnership on behalf of its constituent local authorities in 2004 and **was** reviewed and re-written in 2009. As well as formulating the policy of local authorities in relation to their AONBs, AONB Management Plans are intended to:

- highlight the special qualities and the enduring significance of the AONB and the importance of its landscape, wildlife and cultural heritage, identifying those features that are vulnerable to change
- present an integrated vision for the future of the AONB as a whole, in the light of national, regional and local priorities, regardless of administrative boundaries
- set out agreed objectives which will help secure that vision
- identify what needs to be done, by whom and when, in order to achieve these objectives
- stimulate action aimed at helping people to discover, enjoy and understand the local landscape and its natural and cultural features
- identify actions which will support those economic and social activities which in themselves contribute to the conservation and enhancement of natural beauty.

The Plan is not intended to be a panacea for all the perceived problems which local communities might face, nor is it intended to duplicate or replace other statutory plans which affect the area. It

is, however, the only document with a focus on the whole of the AONB and the only one which is primarily focused on the purpose of AONB designation - the conservation and enhancement of natural beauty.

This document forms the second part of a two-part Management Plan, all of which will be presented online as a single 'microsite' (a website dedicated to the Management Plan):

- 'What's special about the North Pennines?' – which highlights the area's special qualities and some of the issues facing them - this document will undergo only minor changes from the last management plan and only an additional chapter on Dark Night Skies is part of the current consultation. You can **see** 'What's Special' at: <http://www.northpennines.org.uk/Pages/PublicationItem.aspx?DocRef=88>
- This document (Strategy), which shows the strategic context of the Plan, and the objectives identified over the life of the document to 2019 and a rolling three year action plan, which will be updated annually, showing what will be done to meet the objectives. This will have an interactive element, enabling other organisations to update their actions in support of the plan.

In addition to this plan (including the 'What's Special' document outlining the area's special qualities), the North Pennines National Character Area Profile, the production of which was led by Natural England, is a good source of baseline data.

<http://publications.naturalengland.org.uk/publication/5682293?category=587130>

1.2 Who is the plan for?

One audience for this plan is the local authorities of the North Pennines, as it is upon them that the duty is placed to produce the plan and to conserve and enhance the AONB. The AONB Partnership discharges this function on their collective behalf.

Another important audience is the Government agencies, statutory undertakers, utilities and public bodies, which must, in accordance with Section 85 of the CRow Act 2000, have “due regard” to the purposes of AONB designation in the carrying out of their functions. The objectives and actions in this plan should guide them in the fulfillment of their duty under the Act.

A third and equally important audience is the wide range of local organisations and individuals with a concern for the future well-being of the North Pennines, be they land owners, land managers, local businesses, local residents or visitors. It is hoped that this plan will provide them with the inspiration and guidance to bring forward innovative ideas for the conservation and enhancement of the AONB and lead to greater awareness and understanding of the

designation. Crucially, it is not the plan for the AONB Partnership or the work programme for its Staff Team; it is the plan for the conservation and enhancement of the AONB and all those with an interest in the area can be involved in its implementation.

1.3 How was the plan produced?

A consultation draft Management Plan was produced by the North Pennines AONB Partnership on behalf of the five local authorities of the North Pennines, on which the statutory duty is placed. The AONB Team was supported in this work by members of the Partnership’s formal working groups, Partnership Members and people from a wide range of conservation, land management, tourism and other organisations. It was also informed by the content of the previous statutory plan, which was itself the subject of wide consultation. A Strategic Environmental Assessment Scoping Report and an assessment under the Habitats Regulations further informed the final version, as did comments received on the draft. The responses to the draft were approved by the AONB Partnership, discussed separately with Local Authorities and made available through the Partnership’s website.

1.4 Natural beauty

'Natural beauty' is something of a misnomer in some ways; today's North Pennines landscape is partly the result of thousands of years of human activity. It has been shaped by early settlers who cleared the forests, by the first (and generations of subsequent) farmers, the long history of mining for lead and other minerals, by moorland managers and by more modern developments.

Nowhere is truly wild, yet nowhere is totally artificial either - natural processes go on even in the most managed environments. So it is not 'natural' in the sense of being untouched and pristine, but it does have a distinctive character and is a deeply rural environment with few large human-made features, and a sense of relative wildness, remoteness and tranquillity which has no equal in England.

'Natural beauty' in the context of AONBs is about much more than scenic quality, but includes landform, geology, plants and animals, landscape features and the rich history of human settlement over the centuries.

1.5 Legislative requirements

The primary legislation in relation to AONB designation is from the **CRoW Act (2000)** and originally from the 1949 National Parks and Access to the Countryside Act. The amount of policy relating to AONBs has reduced greatly since the removal of Structure Plans and abolition of the Regional Spatial Strategies. Policy for AONBs is now solely contained in the National Planning Policy Framework (NPPF), Local Plans and emerging Neighbourhood Plans.

The **National Planning Policy Framework**, confirms the requirement in the Planning and Compulsory Purchase Act 2004 that planning applications must be determined in accordance with the development plan, unless material considerations indicate otherwise. The NPPF provides specific planning guidance for plan makers and decision takers in relation to AONBs and confirms (para 115) that: *"Great weight should be given to conserving landscape and scenic beauty in National Parks, the Broads and Areas of Outstanding Natural Beauty, which have the highest status of protection in relation to landscape and scenic beauty."*

AONBs and their management plans are material considerations in the planning system. The 'great weight test' is significant and one of the most stringent legal tests that can be applied under planning law.

In specific relation to major development the NPPF states that planning permission should be refused for major developments in

AONBs except in exceptional circumstances and where it can be demonstrated that they are in the public interest, and sets a series of tests that have to be assessed. What constitutes 'major development' has not been defined and will be assessed on its merits, according to local circumstances. All 'major' development will still need to pass the tests of:

- Being in the national public interest – AONB is not a 'local' designation, it is a 'national' one
- Whether or not the need for the development could reasonably be met elsewhere
- Any environmental impacts and the extent to which they could be mitigated.

The NPPF confirms that local planning authorities should set out the strategic priorities for their areas within Local Plans and accordingly deliver the conservation and enhancement of the natural environment, including landscape. The NPPF also confirms that allocations of land for development should prefer land of lesser environmental value (counting the AONB as the highest value) that local planning authorities should set criteria based policies against which proposals for any development on or affecting landscape areas will be judged (development affecting AONBs includes impact on their setting) and that planning should contribute to conserving and enhancing the natural environment.

Local and Neighbourhood Plans should set out policy for AONBs locally and define the special qualities of the area; any additional Development Plan Documents (DPD) should specifically cross reference the AONB Management Plan. Further to this the existence of an AONB designation should be considered at the very outset in plan preparation and should influence the plan in terms of the strategic location of development, access issues, green infrastructure, Community Infrastructure Levy, use of natural resources, and in terms of landscape and environmental protection. Simply including a single policy reference to AONBs does not demonstrate that LPAs have met their legal duty under Section 85 of the CROW Act to have full regard to the purposes of conserving and enhancing the natural beauty of the AONB.

AONB-specific policies in **Local Development Documents, including Core Strategies and Neighbourhood Development Plans**, provide more detailed policies in relation to the North Pennines. Two documents produced by the AONB Partnership in association with local planning authorities – **North Pennines Planning Guidelines** and **the North Pennines Building Design Guide** – provide a much finer grain of detail to help guide development in, or having an impact upon, the AONB; these are adopted as Supplementary Planning Documents in Eden and Carlisle, and as material considerations in the planning system in Durham and Northumberland.

2. The place and the partnerships

2.1 The North Pennines AONB

The designation of the North Pennines AONB was confirmed in 1988 and at 1,983km², it is the second largest of the 38 AONBs in England and Wales. One of the most remote and unspoilt places in England, it lies between the National Parks of the Yorkshire Dales and Northumberland, with the former West Durham Coalfield to the east and the Eden Valley to the west. The AONB straddles the North East and the North West of England and lies mostly within the boundaries of five local authorities: the three counties of Cumbria, Durham and Northumberland and the districts of Carlisle and Eden, but also has 2.6km² in North Yorkshire around Tan Hill.

For more detail on the AONB and its special qualities, visit:
<http://www.northpennines.org.uk/Pages/PublicationItem.aspx?DocRef=88>

2.2 AONB Partnership and Staff Team

Each AONB has an organisation responsible for conserving and enhancing it directly, and co-ordinating the work of many partners. Locally this is the North Pennines AONB Partnership. It is made up of 23 statutory agencies, local authorities and voluntary/community organisations which care for the North Pennines, a list of member organisations can be found on the

Partnership's website. The Partnership also has community representatives elected on a two year term. The work of the AONB Partnership is carried out through the AONB Staff Team, employed through its accountable body, Durham County Council. The purpose of the Staff Team is to promote partnership working to conserve and enhance the AONB and to produce, monitor and take action to implement, the AONB Management Plan. It also acts as a champion for the area in matters relating to the conservation and enhancement of natural beauty. The AONB Staff Team is based in Stanhope, in County Durham.

To find out more about what the team does, visit:
<http://www.northpennines.org.uk/Pages/Aboutus.aspx>

The Northern Upland Chain Local Nature Partnership (LNP)

Arising out of the Natural Environment White Paper (June 2011) the Northern Upland chain encompasses the protected landscapes of:

- Northumberland National Park (including, west of the Park, the key ecological assets of the extensive National Nature Reserves of Kielderhead and Whitelee Moor as well as

Kielder Forest and Water; also the area between the National Park and the North Pennines AONB),

- North Pennines AONB (and including all of the National Character Area just beyond the AONB Boundary),
- Yorkshire Dales National Park
- Nidderdale AONB.

The basis for the geography

The LNP is defined by an ecological, economic and cultural logic. The principal features of the LNP area are:

- a common suite of upland species and habitats
- a common portfolio of ecosystem goods and services
- broad similarities in landscape character
- a similar set of upland agricultural and land management issues,
- local economies and communities with much in common in terms of their economic situations and their access to facilities and services.

What will be done together

Through the NUC LNP partners will:

- Conserve and enhance the natural heritage of the northern uplands, increasing resilience and ensuring these landscapes can meet the challenges of the future
- Support the economic and social well-being of our upland communities in ways which contribute to the conservation and enhancement of natural beauty
- Promote public understanding and enjoyment of the nature and culture of these areas, encouraging people to take action for their conservation
- Value, sustain and promote the benefits that the NUC provides for society, including clean air and water, food, carbon storage and other services vital to the nation's health and well-being.

The LNP Board will do this by:

- Creating a strong new identity as a visible champion for the Northern Upland Chain, with a clear remit, vision and programme which we will communicate to others.
- Focusing on improved outcomes – doing more, doing things better, doing more together.
- Developing collaborative projects and programmes at a large 'super-landscape-scale' aimed at: conserving, enhancing, expanding and connecting habitats and communities of wildlife; improving ecosystem services; supporting land managers;

encouraging enjoyment and understanding of the countryside, providing opportunities for education and training.

- Developing collaborative submissions for further resources, and sharing existing resources where appropriate to deliver common objectives
- Providing a stronger, clearer and better co-ordinated voice for nature and sustainability in the northern uplands
- Improving the gathering, sharing and wider dissemination of data and evidence to improve our collective understanding of ecosystem services, biodiversity, economy, health and well-being of the area in order to support better decision-making.

- Working with businesses and the area's Local Enterprise Partnerships (LEPs) to encourage a greater understanding of the economic and social value of a high quality, well-connected, functioning natural environment, and working to support sustainable growth in the uplands.

Many of the projects and activities proposed in the AONB Management Plan will be pursued on an LNP-wide basis, sharing resources, learning from each other and benefitting from this collaborative approach.

3. Some highlights from implementing the last Management Plan

The last AONB Management Plan covered the period 2009-2014 and though it's not yet complete there have been some significant achievements by all of those with a role in delivering the plan's actions:

The **Planning Guidelines and Building Design documents** were completed and after thorough consultation adopted by the AONBs authorities in a variety of ways, including as full Supplementary Planning Documents in Eden and Carlisle Districts. The first **Neighbourhood Develop Plan** for a small part of the AONB (Upper Eden) was completed (England's first too) **and an emerging plan for Allendale has** much in it related to conserving and enhancing the AONB.

The AONB Partnership's **Peatland Programme** (formerly known as Peatscapes) oversaw major programmes of grip blocking and bare peat restoration. New cross-border partnerships have emerged to expand this work

The North Pennines has 40% of the UK total of species rich hay meadows. The AONB Partnership's **Hay Time** project made a huge contribution to the conservation and enhancement of this special

habitat, spreading green hay on an area almost double the original resource.

WildWatch, the Partnership's community wildlife recording and education project has created thousands of new wildlife records, created three local wildlife groups and held over 70 events to train wildlife recorders

With many partners, an **HLF Landscape Partnership Scheme** was completed for parts of Teesdale, Alston Moor and the Blanchland area, restoring buildings, planting woods, conserving rivers and creating opportunities to explore and enjoy the countryside. A second scheme, for the Allen Valleys, has passed stage 1 with £2m put aside for making it happen.

The AONB Partnership's community archaeology project, **Altogether Archaeology** had a highly successful pilot year and has gone on to become a three year project with over 400 volunteers signed-up to uncover their heritage

Many different people and groups took part in **oral history** projects on hay meadows, commons, quarrying and fluorspar mining

Many different organisations organised hundreds of **events and activities**, supporting the local economy and contributing much to people's enjoyment of the North Pennines. Alongside many new

walking, cycling and riding initiatives, more people had more fun for longer in the AONB. The greening of tourism businesses expanded and there was closer working across tourism boundaries

Attractions such as Killhope, the North of England Lead Mining Museum, continued to thrive and make new investments in their future. The AONB Partnership took on the running of Bowlees Visitor Centre in 2013 and it is already becoming a major economic, environmental and social asset

Thousands of **schoolchildren explored the North Pennines**, making films, carrying out climate change research, planting trees and more

The establishment by the AONB Partnership of the **Friends of the North Pennines** as a charity which sits alongside the AONB Partnership and has a constitution aimed at supporting the implementation of the AONB Management Plan

The **Geopark** status for the AONB was retained and UNESCO is in the process of formalising a 'UNESCO Global Geoparks Initiative'.

4. Looking ahead

4.1 What's new?

There have been a number of important changes since the production of the last statutory management plan in 2009. They include:

- Considerable changes in the planning system, with the production of the **NPPF and the first Neighbourhood Development Plans** coming on stream. A new set of **local plans** is in production across the area's local authorities.
 - **New Government guidance on renewable energy** <https://www.gov.uk/government/publications/planning-practice-guidance-for-renewable-energy> replaced "Planning for renewable energy: a companion guide to PPS22" **confirms that the need for renewable energy does not automatically override local environmental and heritage protections and the concerns of local communities.**
 - The publication of the **Natural Environment White Paper *The Natural Choice – securing the value of nature***, heavily influenced by Making Space for Nature, which spawned the Local Nature Partnerships. Three of the four ambitions in the NEWP are directly relevant to the North Pennines: protecting and improving the natural environment, growing a green economy and reconnecting people and nature.
- The publication of the '**State of Nature**' report, which chronicles the dramatic decline in the UK's wildlife and which should be a wake-up call to all who have responsibility for policy affecting our natural environment.
 - The production of '**Making Space for Nature**' (The Lawton Report) which highlighted the importance of enhanced ecological networks across the landscape and taking an approach to management which was summed up by the phrase, 'bigger, better, more, more joined-up'
 - An increasing emphasis on a whole **ecosystem approach** to landscape management and on the safeguarding of ecosystem services (referred to in this plan as 'natural services') and Outcome 1c of the Convention on Biological Diversity (CBD) – that 17% of the land in the UK should be managed under an ecosystems approach by 2020.
 - The production of the **Biodiversity 2020 targets** arising out of the CBD, which feature in this plan. For the North Pennines these are: *blanket bog; upland heath; limestone pavement; upland calcareous grassland; upland hay meadows; purple moor grass and rush pasture; Lowland dry acid grassland; lowland calcareous grassland, lowland meadows; broadleaved mixed and yew woodland (broad habitat).*

- The creation of the **Local Nature Partnerships** and the establishment of the Northern Upland Chain LNP (the Cumbria LNP also has a partial overlap with the NUCLNP)
- **‘Think big: ecological recovery in Protected Landscapes’** – the AONBs and National Parks response to Lawton, which recognized that, in order to build coherent and resilient ecological networks, habitat improvement and creation becomes integral to sustainable land management systems and that it provides adequate reward for land managers
- The signing of the **European Landscape Convention** which aims to embed a holistic understanding of landscape and ‘place’ into plans and policies. Its 7 key principles can be seen here: http://www.naturalengland.org.uk/Images/ELC-GUIDANCE-PART-2_tcm6-23585.pdf
- The business-led **Ecosystem Markets Task Force** was established and has reported on its emerging thinking on why nature should matter to business and the potential opportunities for business from valuing nature (Commitment 44)
- The **Uplands Evidence Review** led by Natural England, which should help to bring additional knowledge to bear on land management decisions
- All of the area’s ‘old-style’ agri-environment schemes came to end and there is now excellent coverage of **Higher Level Stewardship** across the North Pennines. However, impending CAP reform, the end of the current RDPE and the as yet undefined nature of new Environmental Land Management Schemes brings a time of uncertainty.
- A desire for a more **outcome-focused approach to agri-environment schemes**
- An increasing emphasis on **food and energy security**
- The **global economic downturn**, the long-term pressure on public sector finances and the Government’s ‘growth agenda’

4.2 What has nature ever done for us?

Natural Services and the ecosystems approach

With all of the talk about strategies and plans and ecosystem services, it's important to remember that nature has an intrinsic value – that it can't all be defined in terms of what it does for us and that it has a value independent of us, yet of which we are the stewards. But the landscape of the North Pennines is not only beautiful and rich in wildlife, important though these things are.

Our landscape provides us with food, jobs, timber and building materials from farming, forestry, grouse moor management and small-scale quarrying for local stone. Farming, forestry and grouse moor management in particular play a vital role in shaping the landscape, and these activities and the future of this special place are interlinked.

Careful management of our peatlands ensures that they remain a vast store of carbon, mitigating the impacts of climate change; keeping our peatlands wet also brings benefits in reducing spikes in downstream flooding, conserving wildlife, conserving the record of past lives and environments locked in the peat, and also brings benefits through reducing sediment load and water colour (and cutting the cost of 'cleaning' it).

Other 'natural services' we get from our landscape include the dispersal and cycling of nutrients, pollination and, with the right technology in the right place, a source of renewable energy. It is

also a source of clean air and water, tranquillity and freedom from noise and light pollution. Crucially we can see in our landscape the places our communities have come from, the memory of how we got to where we are now and the assets that can point towards our future.

This stunning landscape, with its abundant plants and wildlife, provides all of us, local people and visitors, with a place where we can improve our health and our well-being by getting out and exploring the relatively unspoilt nature of the North Pennines. This in turn provides opportunities to develop tourism based around those people who want to come and explore this area precisely because it is distinctive and beautiful.

The economy of the North Pennines is characterised by a multitude of very small businesses. Studies tell us that the majority of small businesses in the area feel that the high quality environment has a direct impact on the business and that a deterioration of the landscape would have a negative effect on their work.

A beautiful landscape, rich in wildlife, history and community, provides our society with a great many services; only by supporting the things that keep it special can these vital services be provided into the future.

What has nature ever done for us? Apart from providing food, jobs, wildlife, clean air and water, carbon storage, flood relief, pollination, nutrient cycling, a tourism industry and a 'natural health service'?

An Ecosystems Approach

This Management Plan identifies the most important natural services that our landscape provides and brings forward shared objectives and actions to ensure that they can be provided into the future.

The plan focuses on the whole North Pennines landscape, and where necessary beyond, identifying the need for some partnership projects and programmes that will spread out either into the surrounding lowlands or along the Northern Upland Chain. It does not deal with 'sites' and it is not focused on individual species in isolation – it is about taking a large-scale integrated approach to conservation and understanding the effects of management and development on whole natural systems.

An Ecosystems Approach cannot consider biodiversity and landscape conservation in isolation from the need for the North Pennines to remain a living and working landscape. However, the task ahead is also about understanding, and working within, the acceptable limits of environmental change, in order to meet community need and rise to the economic challenges facing society without compromising the natural services that will support us in

the future. A 2013 study suggested that conserving nature costs 100 to 1000 times less than trying to restore it once it's lost or damaged and the services it provides are compromised – it makes economic sense, as well as environmental and social sense, to look after it.

What will matter is not just identifying our natural services, and saying that this plan promotes an ecosystems approach; it will be in ensuring that recognition of these things drives better and more integrated policy and action on the ground across Local Authorities, Local Enterprise Partnerships, NGOs and others.

The table below sets out (left hand side) the special environmental qualities of the North Pennines that have been identified and agreed in the previous statutory AONB Management Plans through lengthy consultation – it also identifies the area's BD2020 priority habitats against the relevant special quality. The top row is a list of the main natural services that we can derive from these special qualities of our upland landscape. It suggests how conserving these special qualities will help to sustain our natural services into the future.

<i>Natural Service</i>	<i>Carbon storage</i>	<i>Nutrient dispersal and cycling</i>	<i>Pollination</i>	<i>Biodiversity</i>	<i>Food</i>	<i>Clean air</i>	<i>Clean water</i>	<i>Flood risk mgt.</i>	<i>Jobs</i>	<i>Building materials</i>	<i>Renewable energy</i>	<i>Well-being</i>	<i>Recreation / tourism</i>
Special Quality / BD2020 Habitat													
Peatland <i>Upland dry heath, blanket bog</i>	*	*	*	*	*	*	*	*	*			*	*
Hay meadows and spp.-rich grasslands <i>Upland hay meadows, upland calcareous grassland. Lowland calcareous grassland, lowland meadows, purple moor grass and rush pasture, lowland dry acid grassland</i>	*	*	*	*	*	*	*		*			*	*
Upland Woodland <i>Yew Woodland, Upland oak/ash woodland</i>	*	*	*	*		*	*	*	*	*	*	*	*
Upland Rivers		*		*	*		*	*	*		*	*	*
Geological heritage inc. soils <i>Bare rock and scree, Limestone Pavement</i>	*	*		*	*	*	*	*	*	*		*	*
Upland Birds		*		*	*				*			*	*
Industrial heritage <i>Calaminarian Grassland</i>				*					*			*	*
Cultural heritage and the built environment				*			*	*	*	*	*	*	*
Remoteness, wildness and tranquillity, incl. dark skies				*		*			*		*	*	*

4.3 Vision 2025

Where would you like to be in 2025? It is hoped that our area will look something this:

The North Pennines AONB is increasingly nationally recognised as being an exemplar of what Protected Landscapes can do for **conservation, local communities and local economies**. There is wide recognition of the ecosystem services provided by this high quality landscape, in relation to issues such as employment, climate change mitigation, health and well-being, clean air and clean water.

The majority of our moorland grips have been blocked, at least half of our bare/eroding peat areas have been restored and our internationally important peatlands are functioning wetland ecosystems; as a result, areas of peat are actively building again, and providing services such as carbon storage, flood risk management and watercolour reduction.

There is a greater area of species rich grasslands, including our nationally important hay meadows, than there was in 2010. Many small species-rich fields, which would have been lost without a tightening of regulations governing their ploughing and re-seeding, have survived and are thriving.

A High Nature Value Farming approach, with a focus on outcomes, rewards farmers properly for managing our most treasured wildlife and landscapes.

Populations of characteristic birds of the North Pennines, including waders and black grouse, are still nationally important, stable and sustainable; there are stable breeding populations of hen harrier, red kite, merlin, short-eared owl, buzzard and peregrine.

99% of Sites of Special Scientific Interest are in favourable condition, compared to 80.4% in 2008 and that this is maintained; there is consensus amongst conservation agencies and land managers as to what this represents.

Areas of moorland remain free from tracks and roads and the wildness of parts of the area is still protected and prized. Dark skies are still valued and protected and the levels of tranquility are at least as high as when they were mapped in 2007.

We have increased our area of native woodland cover. Our woods are well managed and produce timber and wood products that provide woods with a sustainable economic future, promoting their continued management.

Management of land allows opportunities for more natural processes to develop, including the natural development of a tree line and ecologically rich forest edges, and watercourses to follow natural courses. Management practices allow land to move further along a 'spectrum of wildness'.

The tourism industry is both environmentally **responsible** and economically sustainable. Tourism is based on, and actively supports, the special qualities of the North Pennines AONB and Global Geopark.

- Visitors perceive the North Pennines as a high quality, green destination where they can experience, understand and contribute to the natural and cultural heritage of the AONB
- Local communities welcome visitors, are proud to communicate what's special about their area, and benefit economically from appropriate levels of tourism
- Organisations working in tourism in (and around) the AONB recognise the North Pennines as a destination and work together to promote a sustainable industry.

Our historic environment is better **managed**, recorded and understood and local people appreciate and value where their community has come from. Linked to our Geopark status, our **mining** heritage is more innovatively conserved and interpreted.

Small-scale new residential developments have appeared, supporting schools and local services; these developments are in local stone and work with the grain of their setting, adding to its character and distinctiveness. **The sensitive conversion of traditional buildings for residential use is welcomed as helping to support the sustainability of nearby settlements, where their distinctive character and setting are retained and adverse impacts are avoided.**

Our communities are vibrant, strong and active, with populations similar in size or slightly increased on those of 2013. There are increased job opportunities for local people in support of the

delivery of the AONB management plan objectives and high levels of community involvement and volunteer activity.

Small-scale renewable energy has been embraced fully. New developments have been created using the principles of sustainable building, local people and visitors have reduced their own energy consumption, carefully sited domestic turbines have brought wind energy to remote properties, whilst solar power, biomass, micro-hydro and ground source heat technologies are **sensitively** applied. There is no commercial scale renewable energy generation in the AONB or impacting upon its quality of wildness, tranquillity and remoteness.

Local people and visitors can visit and move around the area on a public transport system which integrates services across political boundaries. Services link with railways in places such as Penrith, Hexham and Langwathby. There is a growing use of electric vehicles and bikes and the facilities to support them.

The children of farming families, and others, want to farm in the uplands and it is a rewarding way of life which helps to sustain the special character of the area. Farm diversification has continued and the successor to the LEADER programme, and targeted agri-environment schemes, along with a sound market for local products, has grown farm incomes. Small farms thrive across the North Pennines and are a large part of the area's character.

The cultural associations with the North Pennines are widely known and celebrated, but not simply the links with Auden, Turner and Dickens, but also through the work of the artists and crafts people that create a living culture today.

Dry stone walls are in better repair than today, and the skills to maintain them are readily available

Landscapes and species are adapting naturally to climate change. There will be losses and gains, but there is long term planning to deal with the impacts of a changing environment.

Within the constraints of climate change, grouse moor management still contributes to employment and conservation and this is widely recognised. There are closer partnerships between conservation bodies and land managers. The issues surrounding moorland burning have been resolved by sound science and a burning code is agreed, respected and implemented.

The North Pennines is a much used outdoor classroom and local organisations work together more closely to use the local environment to inspire young people.

The nature, history and culture of the area are extensively and expertly interpreted, yet the landscape is not cluttered by the paraphernalia of interpretation; award winning audio, digital media and web-based interpretation reaches new audiences (though many people still want, and can get, high quality printed material); this adds to the programmes of face to face interpretation and excellent events which bring the area to life.

By the indicators of the day, the quality of life in the North Pennines is high.

5. Some common principles

There are some common principles that underpin all the different strands of this Management Plan. **The acceptance of these principles is a key part of adopting and delivering this plan** and it is anticipated that, in tandem with the objectives and actions in this Management Plan, **they will also guide policy formulation and action in relation to the AONB across a wide range of organisations**, notably local authorities and public bodies with duties in relation to the AONB under the Countryside and Rights of Way Act (2000).

The following principles run through all the strands of this Management Plan:

5.1 An Ecosystems Approach – that our landscape provides us with vital natural services that we need to sustain. We will collectively identify the most important of these services and bring forward shared objectives and actions to ensure that they can be provided into the future.

5.2 Ecological Networks on a landscape scale – that an integrated approach to conservation at the largest scale possible will provide the most benefit, supporting habitats that are bigger, better managed, more numerous and better connected. We will focus on the whole North Pennines landscape, and where necessary beyond, identifying the need for some partnership projects and programmes that will spread out either into the surrounding lowlands or along the Northern Upland Chain.

5.3 Upland biodiversity is declining – the State of Nature Report shows that of 886 upland species for which we have information,

65% have declined and 34% have declined strongly. Nationally, more species have become extinct in the uplands (15) than in any other habitat: 137 upland species, including 131 plants, are on recent national Red Lists. In the North Pennines we have x number of the NERC Section 41 priority species. It will be essential to identify the ‘headline’ species, have in place the mechanisms which will conserve a broad range of species, identify gaps in knowledge and develop specific projects where resources allow. *Decline in upland biodiversity must be reversed, which will be achieved through the conservation, enhancement, expansion and connection of protected habitats and communities of wildlife*

5.4 Climate change – that human-influenced climate change is real. Projects and initiatives should have as small a carbon footprint as possible. Small-scale renewable energy schemes will be encouraged and local people’s effort to reduce the amount of energy and resources they use will be supported. Projects which seek land

management solutions to problems of a changing climate will be encouraged, as will research which helps us better understand our changing climate.

5.5 Landscape change – that change in the landscape is inevitable, and often to be welcomed, but that change needs to be managed carefully to ensure that it is beneficial to the conservation of the area’s high quality environment. The principles of the European Landscape Convention provide a good basis for approaching the evolution, conservation and enhancement of our landscape.

5.6 Economy and environment – that somewhere rich in natural beauty and with a strong sense of place and that is rich in wildlife is a tremendous economic and social asset that provides many services for society. An economy is developing which is predicated upon keeping this place special and that, in a nationally Protected Landscape in particular, development must be environmentally sustainable as well as economically and socially sustainable.

5.7 Nature and heritage conservation – that opportunities to conserve and enhance landscape, biodiversity, geodiversity and the historic environment should be sought in all projects and developments. There is a need to integrate the conservation of these environmental assets and not see them in isolation from each other, for instance through ensuring that nature conservation work is informed by HERs. There is an assumption in this Plan that we will not bring about one environmental benefit at the expense of another, e.g. new woodlands will not be planted on areas with

existing biodiversity importance or historic significance, or wind turbines would not be erected where they would damage the character of the landscape.

5.8 Supporting sustainable land management – that almost all of the AONB is in private ownership and that landowners and land managers have played the largest role in creating today’s North Pennines – ‘natural’ beauty is something of a misnomer; supporting land-based farm incomes and the retention of viable upland livestock farming, and promoting sustainable moorland management, are vital factors in keeping the area special.

5.9 Working together – that strong and meaningful collaborations between landowners, conservation bodies, local authorities and local people are the only way to ensure that natural beauty has a bright future; generating consensus takes time and effort but is always worth it, not least because collaborative approaches add immense value to often very limited budgets. This collaborative approach is embedded within the AONB Partnership, the Northern Upland Chain Local Nature Partnership and the national AONB Family, it must also be extended across the UK’s Protected Landscapes.

5.10 Open to all – that there should be equality of opportunity for everyone to enjoy what this area has to offer – there is more to understand and more barriers to remove to make this possible, from limited public transport, to the need for better information or better infrastructure; the most accessible option, in relation to

physical and intellectual access to the AONB, is the one that should be chosen where this does not compromise natural beauty.

5.11 Community and conservation – that local people are at the heart of the AONB and that they should be encouraged and supported to devise projects and initiatives that conserve natural beauty, or become involved in those led by others; that in order to thrive and remain viable, communities need affordable housing, and access to services and facilities, and that these things are compatible with the purpose of AONB designation. **People live, work in and visit the AONB and there will be a need for new development so that communities can continue to thrive and evolve.**

5.12 Learning and discovering – that in all of the conservation work in the AONB, there are likely to be opportunities for interpretation

of, and educational activities based on, the special features being conserved. Education and interpretation are not ‘cherries on the cake’ but an integral part of the ingredients of what protected area management should be about.

5.13 Costs and benefits – that the conservation and enhancement of natural beauty, helping people explore, enjoy and understand the North Pennines and supporting land-based industries is a public good and appropriate resources need to be found for some of it; equally this plan will cover a period of very hard times for public funds and there is a need to diversify conservation income streams further and build new sources of support.

Objectives and actions under three themes

Following the link to the 'What's Special' part of the management plan will allow you to look at the different special qualities of the North Pennines and also at some of the issues they face.

The identification of these special qualities in previous management plan consultations and the widely acknowledged issues facing them, alongside an assessment of recent events in the 'What's New' part of the plan, and the content of the section on our 'common principles' are the basis for the development of objectives and actions.

The Management Plan is focused around three themes which reflect the national objectives of the AONB Family. Within these themes are nested the subjects with which this plan is concerned in detail:

A place to look after

- Landscape
- Biodiversity and geodiversity
- Historic environment

A place to live and work

- Support for an environment-based economy
- Development that sustains the environment and communities

A place to celebrate and explore

- Enjoying and understanding the North Pennines
- Supporting community action for natural and cultural heritage

Underpinning these themes is the intention that the plan should enable people to value, sustain and promote the benefits that the North Pennines AONB provides for society, including biodiversity, clean air and water, food, carbon storage and other services vital to the nation's health and well-being.

The plan does not present an exhaustive list of everything affecting the North Pennines – rather it addresses the things most directly linked to the conservation and enhancement of natural beauty and helping people to enjoy, appreciate and explore the area.

Reading the Action Plan

Included in the following pages is an action plan under various headings. In the final plan on the website, this will be a standalone document but is presented in a combined document here for ease of reading. It should be read in the context of:

- ‘What’s special about the North Pennines?’ which sets out the area’s special qualities and some of the issues affecting them
- The earlier parts of this strategy document, which sets out the background to AONBs and their Management Plans, identifies the principal natural services we derive from the area, establishes some common principles which run through the plan and influence its content
- This Action Plan identifies a series of objectives and sets out how they will be reached; it will be updated annually on the Management Plan microsite and reviewed fully after three years, then five; some actions are shown to cover the full five years of the plan. There is inevitable overlap in some subject areas – this plan tries to take a ‘best fit’ approach rather than have too much duplication.

The Action Plan is presented in tabular form; see below for how to interpret it:

The Action Plan is presented in tabular form; see below for how to interpret it:

Objective
Something we want to achieve

Initial lead
They may not do all the work, but they start the process of making it happen and report on progress

Timescale
When will it be done by (sometimes ‘how many’ per year or during the life of the plan)

Priority
1 high – 3 lower

Objective BG1 To conserve, enhance, connect and where necessary restore the Biodiversity 2020 priority habitats within the North Pennines					
Action	Initial Lead	Partners	Timescale	AONB Team Role	Priority
Expand the programme of grip blocking and bare peat restoration, partly through an EU LIFE project	NPAP	LNP	2014-17	Executive	1

Action
Work towards meeting the objective

Partners
Not an exclusive list of those involved, but those which are central to implementing the action. *It should be assumed that all land management work is with the consent and participation of farmers and landowners, hence they are not named against each action*

AONB Team Role
The role of the AONB Partnership Staff in this action:
Executive – work it does itself and with others
Catalyst – things it brings others together to make happen
Advocate – things it promotes and champions

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6.1 A place to look after

6.1.1 Landscape

The North Pennines is known for its wild moorlands and its gentler dales landscapes, as well as colourful hay meadows, tumbling rivers and stone-built villages. Relics of the lead and other mineral mining industries are also an important part of the character and cultural heritage of the North Pennines.

Beneath the surface of today's pattern of fields, villages and moorland there is a history of settlement and landscape change from medieval to prehistoric times. Norse, Roman, Iron Age, Bronze Age and possibly Neolithic settlers began shaping this land, perhaps as far back as 7,000 years ago

As well as having great scenic beauty, this is also a landscape which provides 'natural services' such as carbon storage, pollination, energy, employment and flood risk management, and which contribute to our health and well-being. As well as all these things, the North Pennines is something very personal to everyone who lives or works here, or who comes to enjoy it as a visitor.

There are many forces for change affecting our landscape. The purpose of Protected Area management in landscapes such as ours cannot be to preserve the landscape in aspic – it must be about managing change so that the special and unique character of the

landscape is conserved and so that change is in tune with that character, rather than striking discordant notes.

New landscape characterisation

There are many opportunities to reinforce the special and distinctive character of our landscape. These do not just come from managing development and the character of settlements, but mainly from the approach we take to land management, supporting distinctive features such as walls and field barns, removing or softening conifer blocks, recreating lost woodland or restoring heather moorland.

The current approach to landscape characterisation in the North Pennines can be found by linking to the 'What's Special' document. Early in the life of this plan a detailed and more up-to-date landscape characterisation will be produced and consulted upon. This will include detailed guidance on how to strengthen the special and distinctive qualities of individual landscape character areas in the North Pennines and will be presented as a companion document to this management plan. *For more information on the AONB's landscape, visit:* <http://www.northpennines.org.uk/Pages/PublicationItem.aspx?DocRef=88> Pages 6-14

Objective 1 To ensure that the distinctive character and qualities of the North Pennines landscape are understood, conserved, enhanced and restored

Action	Initial Lead	Partners	Timescale	AONB Team Role	Priority
1.1 Complete detailed landscape character assessment for the area	NPAP	LA, NE	2014	Executive	1
1.2 Develop landscape character area conservation guidelines for use by developers, HLS advisors etc.	NPAP	LA, NE	2014	Executive	1
1.3 Identify 'Indicators of Landscape Change' and establish a monitoring scheme	NPAP	NE, LA	2014	Executive	1
1.4 Ensure that land management decisions, e.g. through HLS, reinforce landscape character	NE	NPAP	2014-17	Executive	1
1.5 Ensure that forward planning and development management decisions reinforce landscape character	LA	NE	2014-17	Advocate	1
1.6 Support the conservation of drystone walls, field barns, fields and other characteristic features of the landscape, through development management and agri-environment schemes	LA / NE	NPAP, EH	2014-17	Executive	1
1.7 Create 300ha of new native woodland, including riparian planting, as part of a larger project in the NUCLNP	NPAP	LNP, FC, WoT, RT	2014-19	Executive	1
1.8 Bring 50ha of ASNW, and 50ha of PAWS into favourable management	FC	NE, WoT, NPAP	By 2019	Executive	1
1.9 Monitor and act on tree diseases, notably Chalara and Phytophthora, which may have a significant impact on the landscape	FC	NE	2014-17	Advocate	1
1.10 Restructure or remove 200ha of commercial forestry plantations	FC		By 2019	Advocate	1
1.11 Establish a programme of planting individual trees as important landscape features of the future	NPAP	LNP, FC, WoT, PC	2015	Executive	1
1.12 Establish a bespoke woodland creation and management scheme for the Northern Upland Chain LNP	FC	LNP	2015	Executive	1
1.13 Encourage and incentivise improved aftercare of woodlands	FC	WoT, LNP	2014-19	Advocate	2

1.14 Underground overhead wires for landscape and visual amenity purposes as part of the Price Control Review scheme for Protected Areas, encouraging links with BT wherever possible	UU, NEDL	NPAP, PC	2014-19 subject to approval	Catalyst	2
1.15 Review the AONB Partnership's 'Guidance on the Management and Maintenance of Rural Roads' and encourage its uptake	NPAP	HA	2014	Executive	1
1.16 Consult the AONB Partnership about new road management and improvement schemes in the AONB	HA	NPAP	Plan period	Advocate	1
1.17 Collaborate to ensure the conservation of the special quality of truly dark night skies in the North Pennines, including investigation of an 'invest to save' programme of street lighting renewal where such lighting currently contributes to light pollution	LA	NPAP, PC	2014-19	Advocate	1
1.18 Identify and gather the data necessary to produce a 'State of the AONB' report to inform monitoring of this plan and production of the next one	NPAP	All	2014	Executive	1
1.19 Investigate the benefits of expanding the Dark Skies Discovery Sites programme to Dark Skies Reserve/Park status	NPAP	LA, LIG	2014	Executive	1
1.20 Produce a research framework for the AONB to help generate the data and information to improvement management	NPAP	NE, EH, FC, EA, UNI	2015	Catalyst	2
1.21 Complete a climate change adaptation plan to inform landscape management decisions such as future tree planting	NPAP	NE, FC	2015	Executive	2
1.22 Establish a survey programme for the area's miner-farmer landscapes and produce guidelines for their conservation	NPAP	EH, FotNP, LIG	2016	Catalyst	2
1.23 Act promptly to remove fly-tipping, abandoned vehicles etc.	LA	PC	2014-19	Advocate	2
1.24 Explore and support opportunities for large-scale 'wildland' projects, and in all activities seek to move the landscape further along a 'spectrum of wildness'	NPAP	NE, LIG, WT	2014-19	Catalyst	2

1.25 Respond to any national programme of boundary review, with an emphasis on the designation potential land around Barningham Moor, Mid Teesdale, and areas of east Cumbria identified as 'areas of search' for future extension in the 2006 Natural England assessment in association with the Lakes/Dales NP extensions	NPAP	NE, LA, PC	Subject to review being brought forward	Executive	3
<i>Conservation of landscape quality and character is addressed further in the 'A Place to Live and Work' section of the plan, especially in relation to the role of landuse planning.</i>					

6.1.2 Biodiversity and geodiversity

The goal for the conservation of biodiversity in the North Pennines should be to create well-managed ecological networks across the area at the largest possible scale.

The North Pennines is arguably the most biodiverse part of the English uplands. Its wildlife riches include:

- 40% of the UK's species rich upland hay meadows and 21% of England's blanket bog
- Over 20,000 pairs of breeding wading birds - this is England's wader hotspot, as well as supporting over 80% of England's black grouse
- The Teesdale Assemblage flora, which is nationally special
- Moor House–Upper Teesdale National Nature Reserve, Britain's largest terrestrial NNR, which supports over 20 species of Europe-wide conservation importance

- 46% of the AONB designated as Site of Special Scientific Interest, and 47% covered by (often overlapping) international designations (five Special Areas of Conservation under the EU Habitats Directive and a Special Protection Area under the EU Birds Directive).

It is not such a wildlife-rich area by accident, and years of sound land management have played a major role in creating what we have today. The role of farmers in supporting biodiversity and ecosystems needs to be encouraged, enhanced and appropriately rewarded. Though our uplands are in better state than those of most of the rest of England, there are still much to do if we are to

conserve and enhance what we have.

The AONB supports species and habitats of national and international importance; the conservation of some of these requires special intervention, whilst being mindful of the potential impacts of this action on other aspects of the upland ecosystem. The BD2020 habitats of the AONB are: *blanket bog; upland heath; limestone pavement; upland calcareous grassland; upland hay meadows; purple moor grass and rush pasture; Lowland dry acid grassland; lowland calcareous grassland, lowland meadows; broadleaved mixed and yew woodland (broad habitat)*. (NCA Profile, 2013, Natural England). Decline in upland biodiversity must be reversed, which will be achieved through the conservation, enhancement, expansion and connection of protected habitats and communities of wildlife.

Artificial drainage systems occur across the AONB, from grips on the blanket bog and heather moorland to field drains in meadows and pastures. The benefits of grip-blocking are well established and a comprehensive programme has been undertaken in recent years which is set to continue. The introduction of new drainage systems to pastures and allotments negatively affects species such as water vole and breeding waders. Insensitive management operations on existing draining systems, including small, natural watercourses, can also reduce habitat quality.

The populations of a number of non-native species are steadily increasing in the AONB, for example grey squirrel, American mink and Himalayan balsam. Many non-native species pose a threat to

native species and habitats through the introduction and/or carriage of disease, competition for food and/or space or direct predation.

The Uplands Evidence Review, led by Natural England, should be seen as an important process by which future management should be guided.

Sound grouse moor management can contribute significantly to the conservation and enhancement of natural beauty. Despite the Uplands Evidence Review, the burning of dwarf shrub communities continues to be an area of debate, as does burning blanket bog. Meanwhile the populations of several species of bird of prey are artificially low, or unable to establish at all; the significant factor in this is still likely to be illegal persecution.

Possibly the most contentious issue in the uplands is that of stocking levels. Blanket prescriptions will not bring about the right conditions for farming or conservation and an outcome focused approach is necessary.

There is always much discussion of 'wildness', 'wild land' and 'rewilding', though nothing is truly wild here or truly artificial either. Wildness depends on processes of growth, decay and natural disturbance operating to the full, and all of these are limited to a greater or lesser extent by human activity. Parts of the UK's landscape might be seen to be at different points along a spectrum; much of our North Pennines landscape is perhaps

further along the spectrum towards ‘naturalness’ than in many parts of the country. Whilst grand-scale ‘re-wilding’ is not a realistic option, the idea of moving some areas of habitat further along the spectrum towards the natural is an important one and one that the Local Nature Partnership in particular might be charged with taking forward during the life of this plan. The ‘climate space’ for some local species may disappear and such species will gradually disappear from the North Pennines. Equally as conditions change, other species may be able to colonise the area. Moving further along a ‘spectrum of wildness’ will help species and habitats to cope better with inevitable change.

Since the last management plan, biodiversity offsetting and carbon offsetting have risen in prominence. There are opportunities to bring to the North Pennines through these approaches, and through generating payments for the conservation of ecosystem services (PES).

Many long-standing issues are still current, notably the need for better data (and data sharing), the need for trust and close working between farmers and the wider conservation community and the need to take joined-up conservation action at the largest possible scale.

The North Pennines has a world class geological heritage, celebrated in part through our European and Global Geopark status. Sites and features of geological interest are under occasional threat from development and inappropriate land management, but there are opportunities for geoconservation too, often associated with extant quarrying permissions and restoration schemes. The mineral wealth of the North Pennines continues to be under threat from unregulated and often illegal collection.

To find out more about the area’s biodiversity and geodiversity, some of the issues it faces in keeping it special, visit:

<http://www.northpennines.org.uk/Pages/PublicationItem.aspx?DocRef=88> Pages 7-9 and 15-24

Objective 2	To ensure the conservation, enhancement, expansion and connectivity of habitats, creating resilient ecological networks across the North Pennines and beyond with a focus on Biodiversity 2020 priorities
Objective 3	To reverse the decline in biodiversity amongst populations of characteristic species
Objective 4	To ensure the conservation and enhancement of features of geodiversity interest in line with the North Pennines Geodiversity Action Plan

Objective 2 To ensure the conservation, enhancement expansion and connectivity of habitats, creating resilient ecological networks across the North Pennines and beyond with a focus on Biodiversity 2020 priorities					
Action	Initial Lead	Partners	Timescale	AONB Team Role	Priority
2.1 Complete ecological networks mapping for the North Pennines and wider LNP	NPAP	LNP	2014	Executive	1
2.2 Seek and exploit opportunities to create, connect and expand habitats at a landscape scale	NPAP	LNP, NE, FC EA, WT, RT, WoT	2014-17	Executive	1
2.3 Expand the programme of grip blocking and bare peat restoration, partly through an EU LIFE project	NPAP	LNP	2014-17	Executive	1
2.4 Establish a Pennine Peat Partnership to support local action, sharing good practice etc. whilst continuing to learn from good practice further afield	LNP	NPAP, NE, EA, NWL	2014	Executive	1
2.5 Support research into peatland hydrology, vegetation cover, grazing, burning, biodiversity, carbon storage and the historic environment. Use research findings to guide peatland management	UNI	NPAP, NE, EH	2014-17	Executive	1
2.6 Complete and disseminate the information from a project on the use of plastic mesh for track construction	NPAP	MA, NE	2014	Executive	1
2.7 Deliver the Nectarworks project aimed at conserving, enhancing and expanding species rich meadows and banks	NPAP	NE, LA	2014-17	Executive	1
2.8 Develop a more conservation-friendly approach to the management of species rich road verges	HA	NPAP, PC, NE, WT	2014-17	Catalyst	1
2.9 Conserve and restore species rich hay meadows through agri-environment schemes, practical projects, and the application of sound evidence	Farmers	NPAP, NE	2014-17	Executive	1
2.10 Use agri-environment schemes to influence the management of drainage in meadows and pastures to support 'Section 41' priority species	NE	EA	As schemes are renewed	Advocate	1
2.11 Secure funding for and implement a calaminarian grasslands project	NWT	NPAP, NE	To 2014	Catalyst	1

2.12 Encourage a more outcome focussed approach to agri-environment schemes rather than a more prescriptions led approach	NE		As schemes are renewed	Advocate	1
2.13 Establish a pilot High Nature Value Farming project, as part of a wider LNP initiative	LNP	NE, UTASS, NFU	2014	Executive	1
2.14 Hold a series of on farm demonstration events to promote good practice in biodiversity, landscape and historic environment conservation	NE	NPAP, RSPB, UTASS, NFU, EH	Annual	Executive	2
2.15 Implement Catchment Management Plans for the area's main rivers, linked to River Basin Management Plans and the AONB Management Plan (actions include achieving good water body status, reducing bankside erosion, reducing run-off into rivers, improving watercourse management and favouring natural solutions over engineered)	RTs	EA, NPAP, NE, WT, NWL, UU	To 2019	Executive	1
2.16 Improve the sharing of data between conservation organisations, local authorities and other relevant bodies	NE	ALL	2014-19	Executive	1
2.17 Deliver a Landscape Partnership Scheme with multiple conservation objectives in the Allen Valleys	NPAP	HLF, LA, EH, NE, PC, EA, FC, WT, RT, WoT, LIG	2014-19	Executive	1
2.18 Develop and if successful at Stage 1 deliver Landscape Partnership Scheme with multiple conservation objectives in the Carlisle area of the East Fellside	NPAP	HLF, LA, NE, PC, EA, FC, WT, RT, WoT, EH, LIG	2015	Executive	2
2.19 Support the continued work of biological records centres	LA	NE	2014-19	Advocate	1
2.20 Develop an LNP-wide approach to maximise the opportunities of biodiversity offsetting and carbon offsetting, and Payments for Ecosystem Services	LNP	NPAP, LEP, LA, NE	2014-17	Executive	1
2.21 Develop a programme with LEPs to deliver environmental and economic benefits to the North Pennines	LNPs	NPAP, EA, WT, LA, NE	2014	Executive	1

2.22 Support the delivery of agri-environment schemes with targeted on farm advice	NE	NPAP, RSPB	2014-19	Executive	1
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Objective 3 To reverse the decline in biodiversity amongst populations of characteristic species					
Action	Initial Lead	Partners	Timescale	AONB Team Role	Priority
3.1 Map NERC Section 41 priority species in the AONB and take action for their conservation	NPAP	NPAP	2014-19	Executive	1
3.2 Develop and support initiatives to conserve and enhance upland bird communities, including supporting the Hen Harrier Recovery Plan	RSPB	NPAP, NE, WT, GWCT	2014-19	Executive	1
3.3 Develop and support conservation, enhancement and research initiatives for mammals with a focus on NERC section 41 species	NPAP	MA, RSPB, NPAP, WT	2014-19	Catalyst	1
3.4 Develop and support conservation, enhancement and research initiatives for invertebrates with a focus on NERC section 41 species	NPAP	BC, PL, WT, EA, NPAP	2014-19	Catalyst	1
3.5 Develop and support conservation, enhancement and research initiatives for plants with a focus on NERC section 41 species	NPAP	PL, NPAP, WT, EA	2014-19	Catalyst	1
3.6 Develop and support research initiatives for the reintroduction of recently lost species, with a focus on NERC section 41 species	RSPB	PL, NPAP, WT, EA, NE	2014-19	Catalyst	3
3.7 Establish a forum to influence those who may be involved to end the persecution of raptors, and continue to promote compliance with the law. Publicise incidences of raptor persecution	LNP	MA, RSPB, NPAP, NE	2014	Catalyst	1
3.8 Co-ordinate an invasive and non-native species assessment and establish a rapid follow-on programme to act on the findings	NE	NPAP, WT, LA, RT	2015	Advocate	1
3.9 Develop a project on moorland fringe habitats to support a suite of upland species	NPAP	NE, WT, GWCT, RSPB	2016	Executive	2

Objective 4 To conserve and enhance features of geodiversity interest in line with the North Pennines Geodiversity Action Plan

Action	Initial Lead	Partners	Timescale	AONB Team Role	Priority
4.1 Carry out condition monitoring of geological SSSIs in the AONB	NE	NPAP	2015	Advocate	1
4.2 Ensure that no features of interest are lost to development or unsympathetic land management	LA / NE	NPAP	ongoing	Advocate	1
4.3 Review the North Pennines AONB Geodiversity Action Plan	NPAP	BGS, Killhope, NE, WTs	2015	Executive	2
4.4 Establish a widely agreed mineral collecting code for the AONB drawing on experience from elsewhere and appropriate for the area's UNESCO Global Geopark status	NPAP	BGS, Killhope, NE, WTs	2015	Executive	3

6.1.3 Historic environment

Recent work, notably that through the AONB Partnership's Altogether Archaeology project and the English Heritage-led Miner-Farmer project, demonstrates that the North Pennines AONB contains a unique and complex historic environment, components of which extend back some 10,000 years to the hunters and gatherers who settled here after the end of the Ice Age. In fact the appearance of the present day landscape, far from being entirely 'natural', is the result of the interaction between people and nature over the millennia; this applies as much to the wild moorlands as it does to the dales and villages.

Although much important work has been done over recent years, there is still a pressing need for improved data relating to the historic environment in order to improve our understanding of it and to inform its effective management. In the past research has tended to concentrate to a large extent on post-medieval industrial archaeology, and especially on the internationally significant North Pennines lead mining industry: this remains a priority area, but must be studied within the context of an archaeological heritage extending back through medieval, Roman and prehistoric times.

Piecemeal consideration of the historic environment as a series of isolated sites and features divorces these from their context and dilutes the integration of historic environment work with other aspects of land and heritage management. There is a need to

ensure that landscape-scale conservation of the historic environment is effectively integrated with conservation of biodiversity and landscape character.

It is crucial to enthuse, engage and enable local communities with regard to the recording, management and celebration of their heritage; this is important for its own sake, but also because greater involvement leads to greater concern for the historic environment, brings new aspects of our historic environment to light, and should lead to stronger measures for its conservation. The 'Altogether Archaeology' project helps local people to discover and celebrate their heritage through direct involvement in archaeological research at a range of locations throughout the North Pennines.

The AONB contains a wealth of fascinating and often very attractive buildings, ranging in condition from well maintained and occupied structures to fragmentary ruins. The conservation of these is essential to the maintenance of local distinctiveness throughout different areas of the AONB. Some of the AONB's historic settlements are designated as Conservation Areas (**details of which are held by local planning authorities**), which should help to ensure the conservation of their local distinctiveness. For more information on the AONB's historic environment, visit <http://www.northpennines.org.uk/Pages/PublicationItem.aspx?DocRef=8>
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Objective 5 To ensure an increase in professional and public knowledge and understanding of the AONB's historic environment

Objective 6 To ensure effective conservation and management of the North Pennines historic environment, including historic buildings, archaeological sites and heritage landscapes

Objective 5 To ensure an increase in professional and public knowledge and understanding of the AONB's historic environment

Action	Initial Lead	Partners	Timescale	AONB Team Role	Priority
5.1 Enhance the county Historic Environment Records, to enable more informed landscape management	LA	EH	2014-19	Advocate	1
5.2 Establish projects which empower local people to record and celebrate what's special to them about their local historic environment	LIG	NPAP, FoK, FotNP, EH	2015	Catalyst	2
5.3 Support and undertake research within the AONB, where possible in collaboration with local communities, guided by a research framework	UNI	EH, LIG, NPAP	2014-19	Advocate	1
5.4 Obtain funding for exploratory lidar and air-photographic landscape surveys as the most cost-effective method of completing initial surveys of extensive landscapes, discovering new sites, leading to more detailed clarification of the nature and condition of sites and landscapes	NPAP	EH	2014	Executive	2
5.5 Establish joint research projects with neighbouring upland Protected Landscapes in areas of mutual relevance and benefit, eg Bronze Age landscapes, landscapes of industry	LNP	NPAP, EH, NE	2014-19	Catalyst	2
5.6 Arrange workshops and other events primarily aimed at local landowners, farmers and land managers to raise awareness of the historic environment and good practice in its management, based initially on Alston Moor using results of the Miner-Farmer project	NPAP	EH, NE, LIG, FotNP	Biennial	Catalyst	2
5.7 Research the underground mining heritage of the North Pennines and identify a body that would be responsible for archiving the material	NPAP	LIG, NE, EH, UNI	2018	Catalyst	2
5.8 Hold biennial conferences on new research into aspects of the historic environment of the North Pennines	NPAP	LIG, LA, EH, FotNP, UNI	2015/17/19	Executive	2
Further work on the historic environment is included in 'A place to celebrate and explore'					

Objective 6 To ensure effective conservation and management of the North Pennines historic environment, including historic buildings, archaeological sites and heritage landscapes					
Action	Initial Lead	Partners	Timescale	AONB Team Role	Priority
6.1 Support a 10% increase in landowners entering into Section 17 management agreements with English Heritage, or Environmental Land Management scheme agreements with Natural England	NE/EH	NPAP	2014-19	Advocate	1
6.2 Support the continued employment of historic environment specialists within local authorities, Natural England and other appropriate bodies	LA/NE	NPAP	2014-19	Advocate	1
6.3 Undertake conservation or survey projects on prioritised sites and landscapes, including Heritage Assets at Risk	LIG	NPAP, EH, NE, UNI, FotNP	1 per year	Executive	1
6.4 Carry out projects linking aspects of the historic environment with geology and ecology	NPAP	NE, EH, LIG, UNI	1 per year	Executive	1
6.5 Complete Appraisals and Management Plans for all Conservation Areas within the AONB	LA	EH	2015	Advocate	1
6.6 Scope a project to study historic woodland, and provide guidance for future woodland creation and management based on sound historic data	EH	NPAP, UNI, LIG, FC	2016	Advocate	3
<i>Further work on the historic environment is included in 'A place to celebrate and explore'</i>					

6.2 A place to live and work

6.2.1 Support for an environment-based economy

A high quality natural environment underpins the economy of the North Pennines, and ecologically and environmentally sound policies should underpin those for development, tourism, farming and the many other things which influence the future of the North Pennines.

The main economic activity connected to the area's natural environment centres around farming, other land management, tourism and to a lesser extent mineral extraction.

The North Pennines has to be a place where people can make a living, travel around, learn new skills and grow and diversify the economy if it is to have an environmentally sustainable future. Alongside what we might see as our 'natural capital' and our 'economic capital', there is a 'social capital' in which we need to invest in order to promote long-term conservation.

Incomes from farming and forestry

One of the biggest challenges facing the North Pennines is to support land-based farm incomes, as a secure future for nature conservation and environmentally sensitive, economically sustainable farming go hand in hand. The modern reality is that the market needs support and upland farmers cannot simply rely

on it to provide for their needs if they are going to be stewards of the countryside. The uncertainty over reform of the Common Agricultural Policy at the time of writing means that looking to the future with any clarity is not easy. However, there needs to be an acceptance that farmers generate public goods and that there need to be outcome-based schemes that put farmers at the heart of decision-making with appropriate rewards, whilst conserving our landscape and wildlife. A High Nature Value Farming approach will be developed the lifetime of this plan.

The majority of farms in the AONB are only marginally financially viable and there is a constant pressure to increase farm incomes. This can result in a gradual but steady intensification of farming in the form of the amount of fertiliser used (farmyard manure and/or artificial fertiliser), the number and type of livestock kept, the speed of hay timing, an increase in haylage/silage making, reseeding and the loss of small-scale unfarmed habitats. With steady farm intensification there tends to be an associated steady decline in farm biodiversity.

Buying locally produced food and other products can help to reinforce local distinctiveness, adds value to the local economy and can reduce food miles.

Profitability of forestry is very dependent on world market prices and the cost of transport, although with new interest in woodfuel heating more local markets for wood products may develop. Encouraging management of our trees and woodland and the creation of new woodlands on a large scale will benefit the economy and the environment.

There is much emphasis on diversification, but people have the land they have, in the place they have it and in their own family circumstances – the single farmer on rough ground off the beaten track can't easily diversify; however, those who want to should be supported to do so. **Short-term tenancies and insecurity over succession create a disincentive to invest in tenanted farm businesses, as does the potential rent increase associated with making the business more profitable.** There are also important issues to address around succession and skills transfer in the farming community.

Nature and Culture-based Tourism

The tourism offer in the North Pennines is based on the area's natural assets or special qualities, qualities which also lie at the heart of quality of life for local people. A common strategic approach is needed in order to improve the sustainable development and management of tourism which takes account of the needs of the environment, visitors, residents and local businesses. This includes a shared approach to the pre-arrival marketing and promotion of the (in particular nature and culture-based) opportunities for visitors to the North Pennines.

Organisations responsible for carrying out pre-arrival marketing need to send out accurate, appropriate and positive messages about the tourism offer in the AONB, and this will need further cross-boundary collaboration. The AONB and Geopark designations are enormous assets to the tourism industry and are often under-utilised in destination marketing.

The tourism offer in the North Pennines is based on the area's natural assets or special qualities. Visitors need effective information about the special features of the area, how they can experience them and how they can support their conservation. There also needs to be appropriate infrastructure in place to enable them to make the most of what the North Pennines has to offer.

It is critical that the tourism industry is helped to 'green' its operations; if we are to promote the North Pennines as a 'green destination' where visitors can 'get away from it all' and experience fantastic, high quality landscapes, wildlife and culture then we will need an environmentally responsible industry to back up the claim.

Travel and communication

Local people need to use private cars for most journeys and this is inevitable. Equally the vast majority of visitors to the North Pennines arrive by private car. However more needs to be done to encourage the use of public transport, cycling and walking as alternative means of getting around and enjoying the special qualities of the AONB. The cross boundary nature of the area

makes the provision of public transport which ‘makes sense’ for local communities and visitors to the North Pennines a particular challenge. There are likely to be new opportunities in relation to growing the market for electric bike / car use in the area.

Businesses operating in the North Pennines have to overcome a range of communication issues closely associated with their relatively remote location. Access to training is also more limited than in less sparsely populated areas, making skills acquisition sometimes more costly and time consuming. Over the lifetime of

this plan, high speed broadband should reach the whole area – the provision of the infrastructure to support these services may need sensitive siting.

Skills for the future

To take advantage of the economic opportunities presented by the conservation and celebration of natural and cultural heritage, there need to be opportunities to increase skills in land-based industries, tourism, interpreting our heritage and more.

Objective 7	To ensure that the returns from farming and land management are sufficient to sustain the farming community and support the conservation of natural beauty
Objective 8	To ensure that the tourism industry is environmentally and economically sustainable, based on, and actively supports, the special qualities of the North Pennines and brings benefits to the community
Objective 9	To ensure that there are more, greener and better travel and communication links in the North Pennines
Objective 10	To ensure an increase in skills in farming and land management, heritage management, tourism / hospitality and outdoor education to help secure the future of the area

Objective 7 To ensure that the returns from farming and land management are sufficient to sustain the farming community and support the conservation of natural beauty					
Action	Initial Lead	Partners	Timescale	AONB Team Role	Priority
7.1 Establish a pilot High Nature Value Farming project, as part of a wider LNP initiative	LNP	NE, UTASS, NFU	2014	Executive	1
7.2 Through grants and advice, support farm diversification which increases economic sustainability and helps to conserve and enhance the natural environment	LEP	LA, AAP	2015-19	Advocate	1
7.3 Encourage markets for timber and wood products to support woodland management	Owners	FC, NPAP Northwoods Cumbria Woodlands	2014-19	Catalyst	1
7.4 Support NAAONB and other bodies' lobbying for CAP reform which benefits farming and wildlife	NPAP	NAAONB, RSPB, NFU	2014	Executive	1
7.5 Promote the development of infrastructure to support land management practices, e.g local abattoirs, marts and sawmills	LEP	LA, AAP	2014-19	Advocate	2
7.6 Support and encourage the development, production and use of local food, wool and other products, especially those linked to natural beauty	NPAP	LIG, AAP	2014-19	Advocate	2

Objective 8 To ensure that the tourism industry is environmentally and economically sustainable, is based on and actively supports the special qualities of the North Pennines, and brings benefits to the community

Action	Initial Lead	Partners	Timescale	AONB Team Role	Priority
8.1 Carry out cross-border marketing campaigns which major on the special qualities of the AONB, promoting it as high quality 'green' destination	DMO	NPAP, LA, LTBG	Biennial	Catalyst	1
8.2 Provide clear, accurate and positive messages about the special qualities of the North Pennines that can be used in marketing literature	NPAP	DMO LTBG	2014-19	Executive	1
8.3 Facilitate familiarisation visits for tourism professionals and journalists/travel writers.	NPAP	DMO, LTBG	2014- 19	Catalyst	1
8.4 Undertake a process of business and community engagement / tourism development that leads to the award of the Europarc Charter for Sustainable Tourism for the North Pennines	NPAP	DMO, LTBG, LA	2017	Executive	1
8.5 Support initiatives to improve and diversify the visitor accommodation available in the North Pennines	LEP	LA, DMO LTBG	2014-19	Advocate	1
8.6 Initiate projects to encourage the further development of nature and culture based attractions including Killhope Museum, Bowlees Visitor Centre, Harehope Quarry, South Tynedale Railway and others	Operators	DMO, LA, LEP, LTBG	2014-19	Executive	1
8.7 Secure improvements in highways signage to support tourism businesses without adding unduly to roadside clutter	LA	LTBG, DMO	2015	Advocate	2
8.8 Set up a green business network and provide information and support to others on the economic and environmental benefits of greening business	NPAP	LTBG	2014	Executive	2
8.9 Support improvements in facilities and information provision in relation to cycling and cycle hire, e.g. cycle racks at attractions, networked hire businesses	LTBG	NPAP	2014-19	Executive	1
8.10 Develop and promote an e-bike network across the AONB	NPAP	LTBG	2014	Executive	1
8.11 Develop shoulder season activities, such as winter walking, geology-theme events, dark skies and industrial heritage	LTBG	NPAP	2014-19	Executive	1

8.12 Support the development and promotion of nature/culture based packages in the AONB	LTBG	DMO, LIG, NPAP, NE, RSPB, RT, WT,	By 2015	Executive	1
8.13 Produce and distribute annual post-arrival information on the North Pennines, including investigating the potential for commercial sponsorship	NPAP	DMO, LA, Businesses	Annual	Executive	2
8.14 Increase joint promotion/ticketing, and cross marketing of attractions	Operators	DMO, LTBG	2014	Advocate	3

Objective 9 To ensure that there are better and greener travel and communication links in the North Pennines					
Action	Initial Lead	Partners	Timescale	AONB Team Role	Priority
9.1 Support the retention and greater integration of public transport services in the AONB	LA		2014-19	Advocate	1
9.2 Develop and support demand-responsive transport options	LIG	LA	2014-19	Advocate	2
9.3 Expand the network of electric vehicle charging points and electric bike hire/charging	LA	NPAP	Each dale and the East Fellside by 2019	Executive	1
9.4 Support the roll-out of high speed broadband, especially to harder to reach less commercially attractive locations, ensuring the sensitive siting of necessary infrastructure	LA	AAPs, PC	2016	Advocate	1

Objective 10 To ensure an increase in skills in farming and land management, heritage management, tourism / hospitality and outdoor education to help secure the future of the area					
Action	Initial Lead	Partners	Timescale	AONB Team Role	Priority
10.1 Support the development of an expanded farmer traineeship scheme as a successor to 'Farmers of the Future' in Teesdale	UTASS	NPAP, AAP	2015	Catalyst	1
10.2 Develop traineeships in nature conservation and land management	NPAP	WT, RT	2014-17	Executive	1
10.3 Support heritage skills development linked to the Heritage Skills initiative, and encourage appropriate training and CPD amongst local building contractors	EH	NPAP	2015-18	Executive	1
10.4 Develop training related to sustainable tourism and the AONB for front-line staff and volunteers e.g. Visitor Information Centres and walks leaders	DMO/CT	NPAP, LA	2015-18	Executive	1

6.2.2. Development that sustains the environment and communities

New development is essential in order to support the prosperity and sustainability of local communities, but great care must be taken to ensure that this development is in keeping with the character of the local landscape in nature, scale and location and of the highest quality design. This is not about keeping everything looking 'old' – there is space for new and bold design, where this complements, and where possible adds to, its setting.

The National Planning Policy Framework, Local Development Documents and Neighbourhood Development Plans all provide planning context for the AONB. In 2010 the AONB Partnership and

the area's Local Planning Authorities produced **North Pennines AONB Planning Guidelines** and an **AONB Building Design Guide**, to give greater expression to some of the more broad-brush policies in these other documents. The Building Design Guide in particular has influenced the production of the Allendale Neighbourhood Development Plan. *The Planning Guidelines and*

the Building Design Guide can be found here (they are not part of the management plan consultation, having already been consulted on and adopted by Local Planning Authorities):

<http://www.northpennines.org.uk/Pages/PublicationItem.aspx?DocRef=155>

<http://www.northpennines.org.uk/Pages/PublicationItem.aspx?DocRef=154>

The Planning Guidelines document sets out some of the forces for change affecting the North Pennines landscape. *These include:* pressure from wind farms in the setting of the AONB, or very large turbines either in the setting or within the boundary, (as distinct from the benefits of accommodating well-sited and designed small-scale renewables, which have thrived in recent years in the AONB); the need to manage the piecemeal erosion of rural character in settlements; carefully managing the potential

expansion of quarries for the extraction of local stone if the character of buildings and settlements is to be conserved and new development is to respect this character; and the need to keep roads safe and in good order whilst sensitively managing the roadside environment to avoid clutter and biodiversity loss.

The start point for approaching new development which meets community need (including major development if it is in the national interest) should be to ask how it can be successfully accommodated, not how it can be opposed.

The **legislative** requirements in relation to AONBs are addressed earlier in this plan.

Objective 11 To ensure that development in the AONB and its setting, is of a nature, scale, location and design so that it meets community need without compromising the special qualities of the North Pennines					
Action	Initial Lead	Partners	Timescale	AONB Team Role	Priority
11.1 Establish robust detailed policies in local plans and neighbourhood development plans which support the purpose of AONB designation. Such policy should - reflect the national importance of AONBs and prioritise the conservation of tranquillity, wildness and remoteness, local distinctiveness and landscape quality and character. It should also protect the AONB from the adverse effects of development in its setting	LPA	NPAP, PC	2014-17	Advocate	1
11.2 Use the North Pennines AONB Building Design Guide and North Pennines AONB Planning Guidelines to provide the detailed guidance to support development management decisions	LPA	NPAP, PC	2014-17	Advocate	1
11.3 Support the development of parish, community and neighbourhood plans to include a strong focus on the conservation of the natural and cultural heritage of the North Pennines	PC	LPA, NPAP	2014-19	Catalyst	1

11.4 Provide pre-application advice to help developers understand and address landscape and other heritage / conservation issues	NPAP	NE, LPA, EA	2014-19	Executive	1
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11.5 Comment on all development proposals which may have a significant impact on the purpose of AONB designation or which may provide opportunities for enhancement, and comment on emerging policy in any draft local plan consultation or review	NPAP	NE, EA, FC	2014-19	Executive	1
11.6 Support the retention and expansion of local services to support community life. Apply the AONB Partnership's Sustainable Development Fund (where budgets allow) and other funds to suitable projects	LA	NPAP, PC	2014-17	Advocate	1
11.7 Review the AONB Partnership's 'Guidance on the Management and Maintenance of Rural Roads' and promote its recognition in the next round of Local Transport Plans	NPAP	HA	2014	Executive	1
11.8 Consult the AONB Partnership about new road management and improvement schemes in the AONB	HA	NPAP	Plan period	Advocate	1

6.3 A Place to Celebrate and Explore

6.3.1 a) Enjoying and understanding the North Pennines

Our outstanding landscapes are places where people will make memories that they will always carry with them. They are places of great beauty and also places with an enormous capacity for supporting mental and physical health and well-being. Importantly for conservation, only if people can explore and enjoy the North Pennines landscape will they grow in understanding of all that it has to offer and want to care for it into the future, which in turn will sustain the benefits it brings.

The North Pennines has fantastic opportunities for outdoor activities such as walking, cycling, riding, **skiing**, canoeing and bird watching. People wanting to explore the area and to enjoy these activities need to have the highest quality information, events and interpretation to enable them to make the most of what the North Pennines has to offer and to help them support conservation as part of their visit.

There are over 2,000 miles of public rights of way in the AONB and they are the arteries that carry the lifeblood of the area's recreation and tourism potential. There should be a high expectation placed on their ease of use. Open access land, **covering 131,000 ha or 61% of the AONB**, provides a tremendous opportunity to enjoy wild countryside, and there needs to be easy

access to high quality information about its availability. The Highway Authorities need to allocate appropriate resources to this essential service for the rural economy and one of the country's (and the countryside's) greatest assets. There is a continued perception that the use of mechanically propelled vehicles causes damage to the fabric of the rights of way network and reduces tranquillity and amenity for visitors and local people. The genuine impacts need to be assessed on a case by **case** basis but action needs to be taken to address genuine problems. Local Access Forums in the three counties have a significant role to play in all of this work. A new National Trail Partnership for the Pennine Way will also emerge early in the life of this plan.

There are also many gentler ways to explore and enjoy the North Pennines, taking in local art, crafts, chapels, industrial heritage music or food rooted in the area. These aspects of how people enjoy the North Pennines also need supporting and developing.

The North Pennines is already one of the most active and successful of the UNESCO European Geoparks and there is a need for ever increasing activity on geotourism, education and interpretation co-ordinated by the AONB Partnership, but also delivered by other partners such as Killhope Museum, Natural

England and local groups and societies. The North Pennines will undergo reassessment for its European Geopark status in 2014 and 2018.

travel costs, more joined up infrastructure of places to learn so as to make the journey here worthwhile, and greater co-ordination of effort to bring this about.

6.3.1 b) Education and Lifelong Learning

There is immense scope for the North Pennines to be an outdoor classroom where the national curriculum can be delivered in exciting and engaging ways. There is a need for more support to teachers (programmes and training), more support for school

There is a proud tradition of lifelong learning in the North Pennines stretching back to the heyday of lead mining. Recent activities, like geologically focused evening classes and the annual evening course on the nature of Teesdale, have shown the continued appetite for this kind of learning and more can be done to satisfy this need.

Objective 12 To ensure that people have a wide range of opportunities to explore, enjoy and learn about the North Pennines					
Action	Initial Lead	Partners	Timescale	AONB Team Role	Priority
12.1 Establish programmes of events and festivals which highlight the area's special qualities and provide information on reaching them by public transport	NPAP	DMO, NE, LA, Killhope, EH, LIG, HQP, LTBG, AAP, FotNP	Annual	Executive	1
12.2 Establish, maintain and promote an events portal for the North Pennines	NPAP	LEP, LA, DMO, NE, WT, LIG, RSPB, LTBG	2015	Executive	2
12.3 Identify gaps in the provision of walking, cycling and riding trails and produce new material where required in a variety of formats and ideally linked to public transport and population centres	NPAP	LTBG, LA	2014-19	Executive	1

12.4 Produce and promote itineraries throughout the North Pennines which use (either partially or wholly) sustainable transport options	NPAP	LIG, DMO/CT	2 per year	Executive	2
12.5 Standardise and replace the AONB boundary signs and add a reference to the Global Geopark status of the area	LA	NPAP	2015	Catalyst	3
12.6 Further develop Explorenorthpennines.org.uk and produce an app	NPAP	LTBG	2014	Executive	1
12.7 Use the AONB Partnership website and other means to ensure wider access to information about the North Pennines natural and historic environment, including reports on survey/research projects	NPAP	NE, EH, WT, LIG, RT	2014-19	Executive	1
12.8 Develop a pilot visitor giving scheme in the Allen Valleys and expand it to the rest of the North Pennines if possible	NPAP	LTBG	2014-18	Executive	1
12.9 Develop a series of events, interpretation and activities with a geological component throughout the year to support retention of the European/Global Geopark status	NPAP	Killhope, BGS, LIG, FotNP, NE,	Revalidations 2014/18	Executive	1
12.10 Provide appropriate resources of staff and funding to help maintain the AONB's public rights of way network to the highest standards	HA		2014-19	Advocate	1
12.11 Engage with the new National Trail Partnership for the Pennine Way and secure sufficient resources to enable high standards of management	HA	NPAP, LIG, NE	2015-19	Catalyst	1
12.12 Allocate resources to ensure high standards of management on strategic regional routes such as the Pennine Way , C2C cycle route, Coast to Coast walk, Teesdale Way and Weardale Way	HA	Sustrans, Wainwright Society	2014-19	Advocate	1
12.13 Maintain an accurate website with information on access land availability	NE		2014-19	Advocate	1
12.14 Use the Making the Best of Byways guidelines to manage routes through impact assessment, monitoring and TROs if required.	HA	LARA, TRF, LIG	2014-19	Advocate	1
12.15 Adopt a precautionary approach to claimed byways, limiting use of claimed routes to footpath or bridleway until inquiries have decided claims	HA	LARA, TRF, LIG	2014-19	Advocate	1
12.16 Support activities in the countryside which promote good health and a sense of well-being, such as health walks and conservation work projects	NPAP	NE, LA, LIG	2014-19	Executive	1
12.17 Support and develop programmes linked to local and national cultural figures that have celebrated and been inspired by the North Pennines	LIG	NPAP, LA,	2014-19	Executive	1
12.18 Promote and support local artists, writers and crafts people that draw their inspiration from the landscape	LIG	NPAP	2014-19	Executive	2

12.19 Support lifelong learning opportunities with staff time, in kind contributions, funding and promotion	NPAP	RT, NE, WT, RSPB, LIG	2014-19	Executive	1
12.20 Develop the provision of outdoor and environmental education and the development of educational resources, school travel grants and other support	NPAP	RT, NE, WT, RSPB, Killhope	2014-19	Executive	1
F12.21 Further develop easy access routes in the North Pennines	NPAP	LA, NE, LAF, Disability groups	By 2015	Executive	1

Supporting community action for natural and cultural heritage

Local people, as individuals or in groups, as communities of place or interest, already play the defining role in looking after and celebrating our natural and cultural heritage. Every effort should be made to support this activity and to provide opportunities for initiatives such as local heritage research, the development of Parish Plans, community archaeology and conservation volunteering.

Local people should have an increasing role in identifying what is special and distinctive about where they live and they should be

supported to celebrate it. This might include events, interpretive publications and initiatives such as oral history projects. Culture doesn't just mean things from the past; the living culture of the North Pennines contributes much to the sense of place, whether that is the 'chapel' culture of the non-conformists church groups or the Tar Bar's at Allendale or the way local artists and crafts people draw inspiration from the landscape in their work. Local culture and traditions give people a way to give expression to their emotions about the place they live and work in, but they can also help other people understand the value of the North Pennines.

Objective 13 To ensure that a wide range of opportunities exists for everyone to get involved in conserving and celebrating the North Pennines

Action	Initial Lead	Partners	Timescale	AONB Team Role	Priority
13.1 Support the ongoing development of the Friends of the North Pennines to increase public involvement in the conservation and	FotNP	NPAP	2014-19	Catalyst	1

celebration of the AONB and reach 500 members					
13.2 Build the capacity of community-based projects linked to natural and cultural heritage through grant aid and in kind support	NPAP	NE, LA, EH, FotNP	2009-14	Executive	1
13.3 Establish oral history projects focusing on mining and farming history	LIG	NPAP, FotNP	2016	Executive	1
13.4 Develop and support projects which give communities, networks and individuals opportunity to express what their 'place' means to them e.g. through the Allen Valleys Landscape Partnership	LIG	NPAP, FotNP	2014-19	Executive	1
13.5 Further develop the AONB Partnership's 'Wildwatch' community wildlife recording and education project	NPAP	LIG	2014-16	Executive	1
13.6 Develop 'Cold-blooded and spineless' focusing on invertebrate recording and education as a successor to WildWatch	NPAP	LIG	2015-19	Executive	1
13.7 Complete the three year Altogether Archaeology project and develop a successor community archaeology programme	NPAP	LIG, EH, UNI	2014-16	Executive	1
13.8 Deliver community projects relating to species rich grasslands through the Nectarworks project	NPAP	NE, LIG, WT	2014-16	Executive	1
13.9 Develop new opportunities for people to participate in survey, monitoring and hands-on conservation activities for the natural and historic environment	NPAP	NE, LIG, RT, WT, EH, FotNP	2014-19	Executive	1
13.10 Explore the establishment of a 'Community Panel' or similar body as an Advisory Group for the Partnership, similar to those developed for particular themes	NPAP	FotNP, LIG	2014	Executive	1
3.11 Develop a Junior or Youth Rangers programme to engage involve young people in new ways, and optimise opportunities from linking with the Europarc Federation network	NPAP	Europarc	2015	Executive	2
13.12 Establish a young archaeologists club	NPAP	LIG, UNI, LA	2015	Executive	2
13.13 Establish an Allendale heritage group as part of the Allen Valleys Landscape Partnership	NPAP	LIG	2015	Executive	2
13.14 Develop opportunities to promote volunteering as part of corporate social responsibility programmes	NPAP		2014-19	Executive	2

BAP – Biodiversity Action Plan
BGS – British Geological Survey
CEH – Centre for Ecology and Hydrology
DMO – Destination Management Organisations
DWT – Durham Wildlife Trust
EA – Environment Agency
EGN – European Geoparks Network
EH – English Heritage
FC – Forestry Commission
FoK – Friends of Killhope
FotNP – Friends of the North Pennines
GWCT – Game and Wildlife Conservancy Trust
HA – Highway Authorities
HQP – Harehope Quarry Project
Killhope – The North of England Lead Mining Museum
LA – Local Authorities
LAF – Local Access Forums
LARA – Land Access and Recreation Association
LEP – Local Enterprise Partnerships
LIG – Local Interest Groups
LNP – Local Nature Partnership

The North Pennines AONB Partnership would like to thank all those people and organisations who contributed to the production of this management plan

Abbreviations used in this Action Plan

LPA – Local Planning Authority
LTBG – Local Tourism Business Groups
MA – Moorland Association
NAAONB – National Association for AONBs
NE – Natural England
NFU – National Farmers’ Union
NPAP – North Pennines AONB Partnership
NWL – Northumbrian Water Limited
NWT – Northumberland Wildlife Trust
PC – Parish Councils
OWNERS – landowners and tenants
ROWIP – Rights of Way Improvement Plan
RSPB – Royal Society for the Protection of Birds
RT – Rivers Trusts
TRF – Trail Riders Fellowship
TRO – Traffic Regulation Orders
UNI – Universities
UTASS – Upper Teesdale Agricultural Support Services Ltd
UU – United Utilities
WT – Wildlife Trusts
WoT – Woodland Trust

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EXCERPT FROM THE MINUTES OF THE EXECUTIVE HELD ON 21 JULY 2014

EX.70/14 NORTH PENNINES AONB MANAGEMENT PLAN
(Key Decision – KD.16/14)

Portfolio Economy, Enterprise and Housing

Relevant Overview and Scrutiny Panel Environment and Economy

Subject Matter

The Economy, Enterprise and Housing Portfolio Holder reported (ED.23/14) that the City Council had a statutory duty, as set out in Section 89 of the Countryside and Rights of Way Act 2000, to prepare and review Management Plans for each of the two Areas of Outstanding Beauty (AONBs) that lay within and across its administrative boundaries. For the North Pennines that work was delivered by the AONB Partnership, which operated under a Memorandum of Agreement jointly with Eden District Council, Durham, Northumberland and Cumbria County Councils, Natural England and Defra. Carlisle City Council was represented by a nominated member on the Partnership, and an officer on the Executive Steering Group.

The first statutory Management Plan for the AONB was written in 2004 and subsequently reviewed and redrafted in 2009. The Partnership had recently reviewed and redrafted the 2009 existing Management Plan, to ensure that it was fit for purpose to guide the management of the nationally protected landscape for the period 2014 – 2019.

The Portfolio Holder explained that the Management Plan highlighted the special qualities of the AONB and the importance of different features; presented an integrated vision for the future of the AONB in the light of national, regional, and local priorities; set out agreed policies and guidelines which incorporated specific objectives to secure the vision; identified what needed to be done, by whom and when in order to achieve those outcomes; and stated how the condition of the AONB and the effectiveness of its management would be monitored.

The purpose of a Management Plan was for a local authority to formulate their policy for the management of their AONB and for the carrying out of their functions in relation thereto. Whilst it was not a land use planning document in the same way as the Local Plan, it had direct and complementary links to the current draft Carlisle District Local Plan as regards landscape conservation; development; and rights of way, details of which were set out at Section 2.3 of the report.

The Portfolio Holder added that the Management Plan would help to conserve and enhance the special qualities of the North Pennines for the next five years. It would be used to develop projects and facilitate cooperation and change with statutory agencies, landowners, managers, businesses and the local community. The Management Plan was linked to annual action plans that would be monitored to measure success and achievement.

In conclusion the Economy, Enterprise and Housing Portfolio Holder congratulated officers on a very comprehensive and clear report and paid particular tribute to the Principal Planning Officer. The Portfolio Holder then moved the recommendation which was duly seconded by the Leader.

Summary of options rejected None

DECISION

That the North Pennines AONB Management Plan be made available for consideration by the Environment and Economy Overview and Scrutiny Panel before coming back to the Executive on 18 August 2014.

Reasons for Decision

The North Pennines AONB Management Plan needed to be adopted by the Council in order for it to deliver its statutory duty. It was considered that the process followed and the content of the Management Plan was consistent with other plans and policies of the Council. The Management Plan would be instrumental in conserving and enhancing our nationally protected landscape. It would help with the development of a range of projects and assist with securing external project funding for project implementation

EXCERPT FROM THE MINUTES OF THE EXECUTIVE HELD ON 18 AUGUST 2014

EX.82/14 **NORTH PENNINES AONB MANAGEMENT PLAN
(Key Decision – KD.16/14)

(In accordance with Paragraph 15(i) of the Overview and Scrutiny Procedure Rules, the Deputy Mayor had agreed that call-in procedures should not be applied to this item)

Portfolio Economy, Enterprise and Housing

Relevant Overview and Scrutiny Panel Environment and Economy

Subject Matter

Pursuant to Minute EX.70/14, the Economy, Enterprise and Housing Portfolio Holder reported (ED.28/14) that the City Council had a statutory duty, as set out in Section 89 of the Countryside and Rights of Way Act 2000, to prepare and review Management Plans for each of the two Areas of Outstanding Beauty (AONBs) that lay within and across its administrative boundaries. For the North Pennines that work was delivered by the AONB Partnership, which operated under a Memorandum of Agreement jointly with Eden District Council, Durham, Northumberland and Cumbria County Councils, Natural England and Defra. Carlisle City Council was represented by a nominated member on the Partnership, and an officer on the Executive Steering Group.

The first statutory Management Plan for the AONB was written in 2004 and subsequently reviewed and redrafted in 2009. The Partnership had recently reviewed and redrafted the 2009 existing Management Plan, to ensure that it was fit for purpose to guide the management of the nationally protected landscape for the period 2014 – 2019.

The Portfolio Holder reminded Members that the Management Plan highlighted the special qualities of the AONB and the importance of different features; presented an integrated vision for the future of the AONB in the light of national, regional, and local priorities; set out agreed policies and guidelines which incorporated specific objectives to secure the vision; identified what needed to be done, by whom and when in order to achieve those outcomes; and stated how the condition of the AONB and the effectiveness of its management would be monitored.

The purpose of a Management Plan was for a local authority to formulate their policy for the management of their AONB and for the carrying out of their functions in relation thereto. Whilst it was not a land use planning document in the same way as the Local Plan, it had direct and complementary links to the current draft Carlisle District Local

Plan as regards landscape conservation; development; and rights of way, details of which were set out at Section 2.3 of the report.

The Portfolio Holder pointed out that the Management Plan would help to conserve and enhance the special qualities of the North Pennines for the next five years. It would be used to develop projects and facilitate cooperation and change with statutory agencies, landowners, managers, businesses and the local community. The Management Plan was linked to annual action plans that would be monitored to measure success and achievement.

The Deputy Leader, and Environment and Transport Portfolio Holder made reference to Section 6.1.2 (Biodiversity and geodiversity) which stated that “Sound grouse moor management can contribute significantly to the conservation and enhancement of natural beauty.....” and Objective 3.2 “Develop and support initiatives to conserve and enhance upland bird communities, including supporting the Hen Harrier Recovery Plan.”

The Deputy Leader expressed particular concern regarding the protection of species (such as the Hen Harrier) in their natural habitat. There were no breeding pairs of Hen Harriers in the area and their numbers were declining rapidly in the North of England.

As an addendum to the report, the Deputy Leader suggested that an invitation be extended to representatives of the North Pennines Partnership to attend a future meeting of the Executive to discuss the problem (specifically the protection of Hen Harriers in the Geltsdale area).

In response the Economy, Enterprise and Housing Portfolio Holder felt that the issue should be of concern to all. The Portfolio Holder made reference to articles which had appeared in the Press adding that, following a web search, she had found Report 441 – A Conservation Framework for Hen Harriers in the United Kingdom. It appeared that more conservation work was ongoing in Scotland than in England.

The Portfolio Holder was therefore more than happy to accede to the Deputy Leader’s request.

In conclusion the Economy, Enterprise and Housing Portfolio Holder moved the recommendation, with the addition of the addendum raised by the Deputy Leader.

The Leader seconded the recommendations.

Summary of options rejected None

DECISION

1. That the Executive referred the North Pennines Area of Outstanding Natural Beauty Management Plan to Council on 9 September 2014 for adoption.

2. That the Director of Economic Development be requested to write to the North Pennines Partnership inviting representatives to attend a future meeting of the Executive to discuss Members' concerns regarding the protection of Hen Harriers.

Reasons for Decision

The North Pennines AONB Management Plan needed to be adopted by the Council in order for it to deliver its statutory duty. It was considered that the process followed and the content of the Management Plan was consistent with other plans and policies of the Council. The Management Plan would be instrumental in conserving and enhancing our nationally protected landscape. It would help with the development of a range of projects and assist with securing external project funding for project implementation

Report to Council

Agenda
Item:

18

Meeting Date: 9 September 2014

Portfolio: Leader

Key Decision: Not Applicable:

Within Policy and

Budget Framework YES

Public / Private Public

Title: The Openness of Local Government Bodies Regulations 2014:
Revision of Procedure Rules

Report of: Mark Lambert

Report Number: GD38/14

Purpose / Summary:

The purpose of this Report is to recommend that the Council amend its Standing Orders and Executive Procedure Rules so as to comply with The Openness of Local Government Bodies Regulations 2014.

Recommendations:

That Council replace the current Standing Order 23 and Executive Procedure Rule 2.6 with the proposed wording at paragraph 2.

Tracking

Executive:	
Overview and Scrutiny:	
Council:	9 September 2014

1. BACKGROUND

THE CURRENT SITUATION

- 1.1** Both the Council's Standing Orders (Council Procedure Rule 23) and its Executive Procedure Rules (Executive Procedure Rule 2.6) say:

The filming, photographing or audio recording at any meetings by accredited media shall be permitted with the consent of the chairman¹/person presiding².

If any other person makes or attempts to make any such recording (without such consent having been given) he/she shall, if he/she be a member, be deemed guilty of misconduct, and the person presiding may move that either the member leaves the meeting or that the meeting is adjourned and, if seconded, the motion will be voted on without discussion. If any such person is not a member then the person presiding may, without question put, adjourn the meeting for such period as he/she, in his/her discretion, considers expedient.

THE NEW RULES

- 1.2** The Government has published, and quickly brought in to force on the 6th of August, the Openness of Local Government Bodies Regulations 2014 which amends the Local Government Act 1972 (which applies to meetings of the Council and its Committees) and the Local Authorities (Executive Arrangements) (Meetings and Access to Information) (England) Regulations 2012 (which applies to meetings of the Executive).
- 1.3** In summary, the new rules mean that:
- a. While a meeting is open to the public, any person attending is to be permitted to take photographs, film and audio record the meeting, and report on the meeting.
 - b. Any person can provide oral commentary outside or after a meeting. The Council does not have to permit oral reporting or oral commentary during a meeting if the person reporting or commenting is present at the meeting, as this may be disruptive.
 - c. A person attending a meeting for the purpose of reporting on it must, so far as is practicable, be afforded reasonable facilities for doing so. This may include space to view and hear a meeting, seats and a desk.

¹ Council Procedure Rule 23.1.

² Executive Procedure Rule 2.6(a).

- d. Any person who attends a meeting for the purpose of reporting on it may use any communication method, including the internet, to publish, post or otherwise share the report.

1.4 “Reporting” means:

- a. filming, photographing or making an audio recording of proceedings at a meeting,
- b. using any other means for enabling persons not present to see or hear proceedings at a meeting as it takes place or later, or
- c. reporting or providing commentary on proceedings at a meeting, orally or in writing, so that the report or commentary is available as the meeting takes place or later to persons not present. (Note 1.3(b) above.)

1.5 The new rules do not allow the reporting of private (Part B) meetings and also specifically prevent any person from leaving recording equipment in the room where a private meeting is being held for the purpose of recording/transmitting that meeting.

2 Recommendation

That Council replace the current Council Procedure Rule 23 and Executive Procedure Rule 2.6 with the following wording:

“While any meeting is open to the public, any person present is permitted to report the proceedings by:

- i. filming, photographing or making an audio recording of the proceedings at the meeting;
- ii. using any other means for enabling persons not present to see or hear proceedings at the meeting as it takes place or later;
- iii. reporting or providing commentary on proceedings at the meeting orally (but not whilst present in the meeting) or in writing, so that the report or commentary is available to other persons as the meeting takes place or later; or
- iv. using any communication method, including the internet, to publish, post or otherwise share the report.

The right to report is subject to the chairman/person presiding³'s power to deal with disturbance at the meeting. The meeting should not be disrupted by, for example, reporting activities, flash photography or intrusive equipment.

³ Delete as appropriate

Any person recording a meeting is requested to focus on recording councillors, officers and the public who are directly involved in the conduct of the meeting. No recording should take place of children, vulnerable persons or other members of the public who actively object to being filmed.”

3. Consultation

Town Clerk and Chief Executive, the Leader and Portfolio Holder for Governance, Finance and Resources.

4. Conclusion and Reasons for Recommendations

To comply with the Law.

5. Contribution to the Carlisle Plan Priorities

The changes are not optional but contribute to open and transparent local government.

Contact Officer: Mark Lambert

Ext: 7019

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:** The Openness of Local Government Bodies Regulations 2014 and the DCLG guidance, Open and Accountable Local Government.

CORPORATE IMPLICATIONS/RISKS:

Chief Executive's – The change to the law will impact upon the communications team as they may have to make reasonable provision for those wishing to attend and report.

Deputy Chief Executive – N/A

Economic Development – N/A

Governance – Legal advice is contained within the body of the Report. Generally, the implication will be that officers/members will be subject to filming/recording etc. A notification of such 'reporting' will be displayed on the entry doors to the Council's meeting rooms.

Local Environment – N/A

Resources – N/A

Report to Council

Agenda
Item:

19

Meeting Date: 9 September 2014

Portfolio: Cross Cutting

Key Decision: Not Applicable

Within Policy and
Budget Framework Not Applicable

Public / Private Public

Title: OPERATION OF THE PROVISIONS RELATING TO CALL-IN
AND URGENCY

Report of: Director of Governance

Report Number: GD.40/14

Purpose / Summary:

To report on the operation of call-in and urgency since the previous report to Council on 15 July 2014.

Recommendations:

That the position be noted.

Tracking

Executive:	N/A
Overview and Scrutiny:	N/A
Council:	9 September 2014

1. BACKGROUND

This report has been prepared in accordance with Rule 15(i) of the Overview and Scrutiny Procedure Rules which deals with the procedure in respect of occasions where decisions taken by the Executive are urgent, and where the call-in procedure should not apply. In such instances the Chairman of the Council (i.e. the Mayor) or in his absence the Deputy Chairman of the Council must agree that the decision proposed is reasonable in the circumstances and should be treated as a matter of urgency.

The record of the decision and the Decision Notice need to state that the decision is urgent and not subject to call-in. Decisions, which have been taken under the urgency provisions, must be reported to the next available meeting of the Council together with the reasons for urgency.

2. OPERATION OF THE PROVISIONS RELATING TO CALL IN AND URGENCY

The Executive, at their meeting on 21 July 2014, considered a private report concerning a Proposed Settlement. The settlement figures had only just been received and the settlement needed to be accepted. Any delay caused by the call-in process would have prejudiced the Council's interests. The Mayor therefore agreed that the decision was urgent and that the call-in process should not be applied to the decision.

In addition, at their meeting on 18 August 2014, the Executive considered the following reports which were referred to Council. These items are all to be considered by the Council on 9 September 2014. If a call-in were to be received on any of the items, the call-in procedure would overlap the City Council meeting.

All Members will have received copies of the reports and minutes with the Summons for the Council meeting and will have the opportunity to consider the items at the Council meeting on 9 September 2014.

- (a) Food Law Enforcement Service Plan
- (b) Medium Term Financial Plan 2015/16 to 2019/20
- (c) Capital Strategy 2015/16 to 2019/20
- (d) Asset Management Plan 2014 – 2019
- (e) North Pennines Area of Outstanding Natural Beauty Management Plan

Item (a) was received by the Community Overview and Scrutiny Panel for information on 31 July 2014; items (b), (c) and (d) were considered by the Resources Overview and

Scrutiny Panel on 7 August 2014; and the Environment and Economy Overview and Scrutiny Panel decided not to scrutinise item (e).

It was considered that any delay caused by a call-in on any of the items detailed above would prejudice the Council's interests in delaying approval of the matters. The Deputy Mayor has therefore agreed that the above decisions are urgent and, for the reasons set out above, that the call-in process should not be applied to the decisions.

4. CONCLUSION AND REASONS FOR RECOMMENDATIONS

4.1 That the position be noted.

Contact Officer: Morag Durham

Ext: 7036

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 – N/A

Community Engagement – N/A

Economic Development – N/A

Governance – Report is by the Director of Governance and legal comments are included.

Local Environment – N/A

Resources - N/A

