

## **EXECUTIVE**

**TUESDAY 30 AUGUST 2011 AT 12 NOON**

### **PRESENT:**

Councillor Mitchelson (Leader's Portfolio)  
Councillor J Mallinson (Governance and Resources Portfolio Holder)  
Councillor Bloxham (Environment and Housing Portfolio Holder)  
Councillor Mrs Bowman (Economic Development Portfolio Holder)  
Councillor Ellis (Performance and Development Portfolio Holder)  
Councillor Mrs Geddes (Community Engagement Portfolio Holder)

### **ALSO PRESENT:**

Councillor Mrs Rutherford (Chairman of the Environment and Economy Overview and Scrutiny Panel)  
Councillor Mrs Mallinson (Chairman of the Audit Committee)  
Councillor Mrs Luckley (Chairman of the Community Overview and Scrutiny Panel – observer)

### **APOLOGIES FOR ABSENCE**

There were no apologies for absence.

### **DECLARATIONS OF INTEREST**

There were no declarations of interest affecting the business to be transacted at the meeting.

### **CALL-IN**

The Chairman reported that the Mayor had agreed that the following items should be exempt from call-in as call-in procedures would overlap the City Council meeting on 13 September 2011:

- Draft Medium Term Financial Plan (Incorporating the Corporate Charging Policy) 2012/13 to 2016/17
- Draft Capital Strategy 2012/13 to 2016/17
- Draft Asset Management Plan 2011 – 2016
- Core Strategy Issues and Options Paper

**EX.098/11    DRAFT       MEDIUM       TERM       FINANCIAL       PLAN  
(INCORPORATING THE CORPORATE CHARGING POLICY)  
2012/13 TO 2016/17  
(Key Decision)**

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

**Portfolio**      Governance and Resources

**Subject Matter**

Pursuant to Minute EX.082/11, the Assistant Director (Resources) submitted report RD.27/11 on the draft Medium Term Financial Plan (incorporating the Corporate Charging Policy) 2012/13 to 2016/17. 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 plan. The Plan linked the key aims and objectives of the Council, as contained in the Corporate Plan, to the availability of resources, enabling the Council to prioritise the allocation of resources to best meet its overall aims and objectives.

The Assistant Director (Resources) commented that the Medium Term Financial Plan would inform the budget process and would be updated to take account of any changes when those became known.

The Leader added that the report had been made available for consideration by the Resources Overview and Scrutiny Panel on 25 August 2011 and an Excerpt (ROSP.59/11) from the draft Minutes of that meeting had been circulated. The Panel had resolved:

- "1) That Reports RD.27/11 and RD.28/11 be noted.
- 2) That a workshop be arranged for early Autumn to allow the Panel the opportunity to have early input into the budget setting process.
- 3) That the Panel looked forward to receiving the report on the Car Parking Review and welcomed the opportunity to have input into the Review."

The Governance and Resources Portfolio Holder commented upon the extensive nature of the report and the very productive discussions which had taken place at the Resources Overview and Scrutiny Panel meeting. Referring to recommendation 2), he welcomed the suggested workshop session which would afford Members a better opportunity to scrutinise the Budget. In conclusion, the Portfolio Holder moved the recommendation set out in the Assistant Director's Report.

**Summary of options rejected**    None

## **DECISION**

1. That the comments of the Resources Overview and Scrutiny Panel be received and accepted.
2. That the draft Medium Term Financial Plan (Incorporating the Corporate Charging Policy) 2012/13 to 2016/17 be referred to Council for approval at its meeting on 13 September 2011.

### **Reasons for Decision**

To receive the views of the Resources Overview and Scrutiny Panel prior to recommending the draft Medium Term Financial Plan 2012/13 to 2016/17 to Council for formal approval.

### **EX.099/11 DRAFT CAPITAL STRATEGY 2012/13 TO 2016/17** (Key Decision)

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

**Portfolio** Governance and Resources

### **Subject Matter**

Pursuant to Minute EX.083/11, the Assistant Director (Resources) submitted report RD.28/11 on the draft Capital Strategy 2012/13 to 2016/17. He reminded 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 2012/13 to 2016/17 and would complement and supplement the Medium Term Financial Plan.

He outlined the current capital programme forecasts, commenting that the current capital programme forecast spending on capital projects of around £2.7m - £1.2m per annum for the years 2012/13 to 2016/17, although past experience had indicated that the actual spend 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 therefore been included in the projections. In particular, at this point no account had been taken of any future aspirations beyond 2011/12 schemes under review.

The Assistant Director (Resources) also set out an estimated level of capital finance resources which would be generated over the next five years and summarised the level of capital spend available for the period 2012/13 to 2016/17 which indicated that there would be approximately £1.8m uncommitted estimated capital resources available to support any future capital programme.

He added that the report was made available for consideration by the Resources Overview and Scrutiny Panel on 25 August 2011. An Excerpt (ROSP.59/11) from the draft Minutes of that meeting had been circulated. The Panel had resolved:

- "1) That Reports RD.27/11 and RD.28/11 be noted.
- 2) That a workshop be arranged for early Autumn to allow the Panel the opportunity to have early input into the budget setting process.
- 3) That the Panel looked forward to receiving the report on the Car Parking Review and welcomed the opportunity to have input into the Review."

The Governance and Resources Portfolio Holder indicated that he was happy to take on board the comments made by the Resources Overview and Scrutiny Panel. He then moved the recommendation set out in the Assistant Director's Report.

**Summary of options rejected**    None

## **DECISION**

1. That the observations of the Resources Overview and Scrutiny Panel on 25 August 2011 be received.
2. That the draft Capital Strategy 2012/13 to 2016/17 be referred to the meeting of the City Council on 13 September 2011 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.

## **EX.100/11    DRAFT ASSET MANAGEMENT PLAN 2011 - 2016** (Key Decision)

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

**Portfolio**    Governance and Resources

## **Subject Matter**

Pursuant to Minute EX.084/11, the Assistant Director (Resources) submitted report RD.38/11 on the draft Asset Management Plan 2011 - 2016. He reminded Members that the Asset Management Plan had been updated to

reflect the key issues and changes affecting the future management and use of the City's property resources, 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.

The Assistant Director (Resources) reported that the Plan had been considered by the Resources Overview and Scrutiny Panel on 25 August 2011 and an Excerpt from the draft Minutes of that meeting had been circulated (ROSP.60/11). The Panel had noted the report.

The Governance and Resources Portfolio Holder accepted the Panel's comments, as detailed within Minute ROSP.60/11. and moved the Assistant Director's recommendation that the Asset Management Plan be referred to full Council for adoption.

**Summary of options rejected**    None

## **DECISION**

1. That the comments of the Resources Overview and Scrutiny Panel be received and accepted.
2. That the draft Asset Management Plan, as attached to Report RD.38/11, be referred to the meeting of the City Council on 13 September 2011 for adoption.

## **Reasons for Decision**

To receive the comments of the Resources Overview and Scrutiny Panel on the draft Asset Management Plan 2011 - 2016 prior to recommending the Plan to Council for adoption.

## **EX.101/11    CORE STRATEGY ISSUES AND OPTIONS PAPER** (Key Decision)

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

**Portfolio**    Economic Development

## **Subject Matter**

Pursuant to Minute EX.065/11, the Assistant Director (Economic Development) submitted report ED.25/11 setting out the draft Core Strategy Issues and Options Paper which was scheduled for public consultation for a six week period commencing on 19 September 2011. She reminded Members that the Issues and Options Paper represented the first stage of the

Carlisle District Core Strategy which, as part of the Carlisle Local Development Framework, would ultimately replace the Carlisle District Local Plan.

The Assistant Director (Economic Development) reported that the Local Development Framework Members Working Group had on 20 July 2011 met to discuss the Paper and the results of the Test of Reasonableness which had previously been undertaken by Officers, details of which were provided. She outlined the points raised by Members of the Working Group on the Reasonableness Test, which had been reported to the Environment and Economy Overview and Scrutiny Panel on 28 July 2011 for further comment.

She added that the Environment and Economy Overview and Scrutiny Panel had discussed a number of changes to the document and a copy of Minute Excerpt EEOSP.46/11 was provided for reference. The Panel had resolved -

"1) That the Panel were happy with the questions listed subject to the amendments suggested by Members.

2) That the Strategy should put an emphasis on employment opportunities that already existed and protect current jobs.

3) There were questions about the readability of the document and Officers were to look at the text, abbreviations and the format to reduce the bulk of the document."

In conclusion, the Assistant Director (Economic Development) drew Members' attention to the draft Core Strategy Issues and Options Paper, together with the track changes which demonstrated how the issues raised had been taken on board.

The Chairman of the Environment and Economy Overview and Scrutiny Panel considered it fortunate that the matter had previously been considered by the Local Development Framework Members Group since that provided background to the Panel's deliberations. She made reference to the issues raised by the Overview and Scrutiny Panel, pointing out that Members had asked that the Paper also be made available in an abbreviated, more readable, format. It was hoped that would stimulate the public to respond to the consultation.

The Environment and Housing Portfolio Holder referred to pages 22 and 23 of the Paper and, in particular, question H4 (With reference to the location of rural housing development, which of the following options will benefit the rural area and its communities the best?) and option d) (Include smaller villages within a two mile radius of Carlisle as suitable locations for development, provided they have good public transport, cycle and footpath connections, e.g. Linstock?). Demand existed for housing in the rural area and he was concerned to ensure that development was encouraged outwith that radius.

The Assistant Director (Economic Development) took on board the Portfolio Holder's concerns, adding that option d) could be reviewed so that it was not so restrictive.

The Chairman of the Environment and Economy Overview and Scrutiny Panel added that the issue raised also linked to the Panel's concern regarding the urban area / rural area split for new housing. Members felt that should be looked at to possibly allow for greater flexibility.

The Economic Development Portfolio Holder welcomed the submission of what was a very good report and looked forward to receiving responses to the consultation exercise. She added that the work undertaken in conjunction with the Environment and Economy Overview and Scrutiny Panel had been of real benefit and thanked Members for their input. The Portfolio Holder then moved the recommendations set out in the Assistant Director's report.

The Leader wished to place on record the Executive's appreciation of the input provided by the Local Development Framework Members Working Group, the Overview and Scrutiny Panel and also the members of staff involved. He further moved that the Executive authorise the Assistant Director (Economic Development), in conjunction with the Portfolio Holder, to amend the Core Strategy Issues and Options Paper to reflect the concern highlighted above with regard to rural housing.

**Summary of options rejected**    None

## **DECISION**

1. That the Executive had considered the feedback from the Environment and Economy Overview and Scrutiny Panel and Local Development Framework Members Working Group.
2. That the Assistant Director (Economic Development), in conjunction with the Portfolio Holder, be authorised to amend the draft Core Strategy Issues and Options Paper to take account of the concern raised with regard to rural housing.
3. That the draft Core Strategy Issues and Options Paper be referred to the City Council (13 September 2011) to consider approval to consult on the content of the draft Paper.

## **Reasons for Decision**

To progress work on the Issues and Options stage of the Core Strategy by involving the public and seeking views, in preparation for developing the preferred options for dealing with them.

**EX.102/11    DISCRETIONARY RATE RELIEF POLICY**  
(Key Decision)

(With the consent of the Chairman, and in accordance with Rule 15 of the Access to Information Procedure Rules, this item was included on the Agenda as a Key Decision, although not in the Forward Plan)

**Portfolio**     Community Engagement

**Subject Matter**

The Assistant Director (Community Engagement) submitted report CD.09/11 concerning the Council's Discretionary Rate Relief Policy. He outlined the background to the matter, reminding Members that the Council had on 11 January 2011 approved the Policy which phased in the capping of rate relief at 80% over two financial years from April 2011 in line with approved budget provision.

The Assistant Director (Community Engagement) indicated that, from 2012/13 and subject to approval by Council, it was proposed to award 20% discretionary 'top up' rate relief to all local charities and non profit making enterprises with a rateable value of below £18,000 (ie the ceiling applied by central government for small business rate relief). If approved, the proposed policy changes would apply to all enterprises that met the definition of 'local' :

"Charities/non profit making enterprises with a property portfolio of below £18,000 rateable value that have their Head Office or Registered Office in Carlisle and District, as evidenced by records published on the Charities Commission or Companies House website. Where there is no information on the website the billing address will be deemed to be their Head Office or Regional Office."

He emphasised that the above policy change would mean that 111 out of 153 local enterprises would receive 100% rate relief, including most community centres, village halls, sports clubs and local charities. By focussing on small and local enterprises, the proposed policy changes were intended to target the available budget for rate relief as effectively as possible. Larger local charities and non profit making organisations would not, however, benefit from the proposal and would receive a maximum of 80% relief from 2012/13 onwards.

The Assistant Director (Community Engagement) reported that in the 2011/12 financial year relief for all local and national charities (irrespective of their rateable value) had been capped at 80%, and that so far six local charities had appealed that decision.

Recovery action was on hold pending consideration of the appeals. Within the overall budget allocation, £18,000 was available to fund appeals through additional relief in the current financial year. In line with the principle of



targeting relief at local charities and local non profit making organisations it was proposed, for this financial year only, to award up to 10% top up to the six charities that had appealed, irrespective of their rateable value.

He added that, in the interests of consistency and fairness, it was proposed that any further appeals received in 2011/12 would also be assessed against the criteria of local (not including rateable value) and if they met the definition they too would be awarded additional relief of up to 10%.

The Community Engagement Portfolio Holder referred to the limited nature of the available budget which had necessitated the development of criteria which would make the best possible use of that budget. The proposed policy change took account of the comments/concerns raised by many small organisations in response to the phased capping of rate relief. She added that the figure was the ceiling applied by central government for small business rate relief and as such was commonly understood.

The Governance and Resources Portfolio Holder recognised the enormous amount of work and consultation which had been undertaken with a view to getting the best result for a large number of organisations. He emphasised the intolerable pressure placed upon the Council's budgets, proclaiming the proposed change to the Discretionary Rate Relief Policy to be an excellent outcome.

The Leader was also supportive of the work undertaken. He commented upon the very difficult nature of the decision which had not been taken in isolation. The City Council was very generous in terms of the rate relief provided. It was clearly unfortunate that certain organisations would be affected to a greater extent than others, but assistance was provided in a number of ways. In conclusion, he moved the recommendations set out in the Assistant Director's report.

**Summary of options rejected**    None

## **DECISION**

That the Executive:

1. Approved the amendment to the Discretionary Rate Relief Policy in order for it to proceed for consideration by the Community Overview and Scrutiny Panel and thereafter full Council.
2. Authorised Officers to agree up to 10% top up for those local charities that had successfully appealed against the decision to cap their rate relief at 80% in 2011/12.
3. Agreed that further appeals from charities against the decision to cap rate relief at 80% in 2011/12 shall be assessed against the definition of local set out in Report CD.09/11, and authorised Officers to award up to 10% top up to successful appellants.

## **Reasons for Decision**

The Executive is required to consider how to target its limited resources and achieve a positive outcome for Carlisle and District's communities before consideration by the Community Overview and Scrutiny Panel.

### **EX.103/11 REVIEW OF HOSTEL CHARGES 2011/12**

(Key Decision)

(With the consent of the Chairman, and in accordance with Rule 15 of the Access to Information Procedure Rules, this item was included on the Agenda as a Key Decision, although not in the Forward Plan)

**Portfolio** Environment and Housing

### **Subject Matter**

The Assistant Director (Community Engagement) submitted report CD.10/11 proposing an increase to the agreed 2011/12 charges for the Hostel Services falling within the responsibility of the Community Engagement Directorate.

The increased charges, detailed at section 4 of the report, had been assessed based upon actual rental costs of hostel and homeshare units, and represented an increase ranging from 12.5% (John Street) to 26% (London Road). Housing Association hostel rents had increased by between 35% and 83% over the same period.

The Assistant Director (Community Engagement) explained that the charges detailed for hostels did not include a support element since that was funded through Cumbria Supporting People. The support service charge costs were being reviewed as part of the same exercise. He added that the increase in the charges would ensure that the service charge accurately reflected the costs of the service provision and would promote equity and fairness to the customer. Where possible the proposed charges were based on actual service costs from 2010/11 and would continue to be reviewed on an annual basis to reflect actual costs.

Members were asked to agree the charges as set out in the report with effect from 1 October 2011.

The Environment and Housing Portfolio Holder then moved the Assistant Director's recommendations.

**Summary of options rejected** None

## **DECISION**

That the increase to the Hostel Services charges, as detailed within Report CD.10/11, effective from 1 October 2011 be noted and agreed

### **Reasons for Decision**

To ensure that Hostel charges reflect the actual costs of service provision.

## **EX.104/11 FORWARD PLAN** (Non Key Decision)

**Portfolio** Cross-Cutting

### **Subject Matter**

The Forward Plan of Key Decisions for the period 1 August 2011 to 30 November 2011 was submitted.

The Assistant Director (Economic Development) was scheduled to report on the Botchergate Conservation Area Appraisal and Management Plan (KD.022/11). Further work was required and the matter was therefore deferred.

**Summary of options rejected** None

## **DECISION**

That the Forward Plan of Key Decisions for the period 1 August 2011 to 30 November 2011 be received.

### **Reasons for Decision**

Not applicable.

## **EX.105/11 SCHEDULE OF DECISIONS TAKEN BY PORTFOLIO HOLDERS** (Non Key Decision)

**Portfolio** Governance and Resources

### **Subject Matter**

Details of a decision taken by the Governance and Resources Portfolio Holder under delegated powers were submitted.

**Summary of options rejected** None

## **DECISION**

That the decision, attached as Appendix A, be received.

### **Reasons for Decision**

Not applicable.

## **EX.106/11 SCHEDULE OF DECISIONS TAKEN BY OFFICERS (Non Key Decision)**

**Portfolio** Performance and Development

### **Subject Matter**

Details of a decision taken by the Organisational Development Manager under delegated powers were submitted.

**Summary of options rejected** None

## **DECISION**

That the decision, attached as Appendix B, be received.

### **Reasons for Decision**

Not applicable.

## **EX.107/11 REFERENCE FROM THE AUDIT COMMITTEE – FUTURE OF THE WORK OF THE AUDIT PRACTICE (Non Key Decision)**

**Portfolio** Governance and Resources

### **Subject Matter**

Pursuant to Minute AUC.53/11, consideration was given to a reference from the Audit Committee in relation to the future of the work of the Audit Practice. The Audit Committee had resolved:

"(1) That the Audit Committee welcomed Report RD.34/11 and the verbal update provided by the Audit Manager concerning work on the future of local audit.

(2) That the Assistant Director (Resources) be requested to update the Committee on the national position / timescales at a future meeting.

(3) That the Audit Committee recommended that the Executive raise the matter at the Cumbria Leadership Board."

A copy of the Minute Excerpt had been circulated.

The Chairman of the Audit Committee outlined the discussions which had taken place at the Audit Committee, commenting that she considered that the Executive should be made aware of the position and that the matter be raised at the Cumbria Leadership Board.

The Leader replied that the Executive would ask the Acting Town Clerk and Chief Executive to write to the other Cumbrian Local Authorities, and that the matter would be raised at a future Chief Executives' meeting.

**Summary of options rejected**    None

## **DECISION**

1. That the Executive had considered the reference from the Audit Committee concerning the future of local audit.
2. That the Acting Town Clerk and Chief Executive be requested to write to the other Cumbrian Local Authorities on the matter, which would also be raised at a future Chief Executives' meeting.

## **Reasons for Decision**

To respond to a reference from the Audit Committee.

**EX.108/11    REFERENCE FROM THE AUDIT COMMITTEE – AUDIT SERVICES PROGRESS REPORT**  
(Non Key Decision)

**Portfolio**      Governance and Resources

## **Subject Matter**

Pursuant to Minute AUC.54/11, consideration was given to a reference from the Audit Committee following their consideration of report RD.33/11 which summarised the work carried out by Audit Services since the previous report to Committee on 5 July 2011 and detailed progress made against the 2011/12 Audit Plan up to 22 July 2011. The Audit Committee had resolved:

"(1) That report RD.33/11 be received and progress made against the agreed 2011/12 Audit Plan be noted.

(2) That the Audit Committee had considered and agreed the proposed changes to the Audit Plan, as detailed within the report, subject to the Assistant Director (Resources) submitting a report (with input from relevant Officers) updating Members on the areas of Procurement and Supporting People after Christmas 2011. That would enable the Audit Committee to take an informed view as to when thorough audits of those areas could proceed.

(3) That the Executive be informed that the Audit Committee had considered the final audit of Housing and Council Tax Benefits Overpayments and had raised concerns as outlined above. Members were particularly concerned to ensure that the deadlines for completion of the agreed actions in response to the various recommendations were adhered to. The Committee had therefore requested a further report, setting out the current position with regard to the recommendations contained within the audit, should those deadlines not be met by the due dates.

The Committee wished to extend an invitation to the Portfolio Holder to attend their next meeting in September 2011.

(4) That the Audit Committee would give consideration to the Revenues and Benefits Shared Service at a future meeting."

A copy of the Minute Excerpt had been circulated.

The Chairman of the Audit Committee outlined the background to submission of the reference, emphasising the concerns raised by Members with regard to the final audit of Housing and Council Tax Benefits Overpayments. She added that those concerns were not only matters for this Council but also the Shared Service. The Committee had requested a further report and extended an invitation to the Portfolio Holder to attend their next meeting in September 2011.

In response the Leader stated that the Portfolio Holder would discuss the matter with the Assistant Director (Resources) with a view to moving it forward.

**Summary of options rejected**    None

## **DECISION**

1. That the Executive had considered the reference from the Audit Committee concerning the final audit of Housing and Council Tax Benefits Overpayments.

2. That the Portfolio Holder would discuss the concerns raised with the Assistant Director (Resources) with a view to moving the matters forward.

## **Reasons for Decision**

To respond to a reference from the Audit Committee.

**EX.109/11    JOINT MANAGEMENT TEAM**  
(Non Key Decision)

**Portfolio**     Various

**Subject Matter**

The Minutes of the meetings of the Joint Management Team held on 16 June and 7 July 2011 were submitted for information.

**Summary of options rejected**    None

**DECISION**

That the Minutes of the meetings of the Joint Management Team held on 16 June and 7 July 2011, attached as Appendix C, be received.

**Reasons for Decision**

Not applicable.

**EX.110/11    CUMBRIA LEADERSHIP BOARD**  
(Non Key Decision)

**Portfolio**     Cross-cutting

**Subject Matter**

The Minutes of the meeting of the Cumbria Leadership Board held on 27 May 2011 were submitted for information.

**Summary of options rejected**    None

**DECISION**

That the Minutes of the meeting of the Cumbria Leadership Board held on 27 May 2011 be noted.

**Reasons for Decision**

Not applicable.

**EX.111/11    CAPITAL BUDGET OVERVIEW AND MONITORING REPORT:  
APRIL – JUNE 2011**  
(Non Key Decision)

**Portfolio**     Governance and Resources

## **Subject Matter**

The Assistant Director (Resources) submitted report RD.30/11 providing an overview of the budgetary position of the City Council's capital programme for the period April to June 2011. The position as at June 2011 showed an overspend of £167,048.

In accordance with the City Council's Financial Procedure Rules, the Assistant Director (Resources) provided details of the overall budget position, including the monitoring and control of expenditure against budget allocations and the exercise of virement on a regular basis. He added that the 2011/12 programme had been kept to a level that took account of the Council's ability to deliver schemes with regard to capacity and available resources. He further drew attention to the level of carry forwards that had been agreed, pointing out that Council approval did not take place until July this year which was the main reason for the overspend to date. Work was ongoing to continue to monitor the profiling of budgets which would be adjusted to reflect progress in current capital schemes. The review of the 2011/12 capital programme would reduce the level of carry forwards at the year end, but it was likely that there would still be a requirement for some carry forwards at the year end due to further slippage and delays on projects.

The Assistant Director (Resources) added that the Senior Management Team would provide strategic overview and monitor the effectiveness of the overall programme of work in delivering the Council's priorities and objectives. Technical project support and quality assurance of business cases and associated project management activities would be managed by a Project Assurance Group chaired by the Deputy Chief Executive. In conclusion, he advised that a review of all capital expenditure incurred was ongoing to ensure that the expenditure had been correctly allocated between revenue and capital schemes. That work would facilitate the year end classification of assets.

The Leader said that the Resources Overview and Scrutiny Panel had on 25 August 2011 considered and noted the report. An Excerpt from the draft Minutes of that meeting had been circulated (ROSP.61/11).

The Governance and Resources Portfolio Holder referred to the issues raised by the Resources Overview and Scrutiny Panel, referring in particular to the comment that "There were still significant areas on that estate that were still dormant and social housing was becoming an increasing problem." Whilst that may be true, it was important to recognise that regeneration of the area had been a tremendous success. The Council could be proud of that achievement, particularly in the current very difficult economic climate.

**Summary of options rejected**    None



## **DECISION**

That the budgetary position and performance aspects of the capital programme for the period April to June 2011, as set out in Report RD.30/11, be noted.

### **Reasons for Decision**

To keep Members informed of the budgetary position of the Council's Capital Programme for the period April to June 2011.

## **EX.112/11 REVENUE BUDGET OVERVIEW AND MONITORING REPORT: APRIL – JUNE 2011 (Non Key Decision)**

**Portfolio** Governance and Resources

### **Subject Matter**

The Assistant Director (Resources) submitted report RD.31/11 providing an overview of the Council's overall budgetary position for the period April to June 2011 for revenue schemes.

He summarised the budgetary position as at June 2011 which showed a deficit against the income target for fees and charges; and highlighted the key issues, including performance against the Salary Turnover Savings Budget and employee budgets for 2010/11. Members' attention was also drawn to the main variances in the Revenue Budgets of the various Directorates.

The Assistant Director (Resources) added that the Council's financial position was affected by a number of external factors which would have a financial impact during the course of the year and ultimately at the year-end, including the general effect of the economic climate on the Council's income streams; fuel prices, energy costs and other inflationary issues; and the effects of the housing market and property prices, especially with regard to income from land charges and rents. He added that the overall projected position was negative and some of the positive benefits were non-recurring. It was therefore important to maintain a prudent approach so as to ensure a sustainable budget position for future years and to avoid any significant variance at the year end.

Members' attention was further drawn to a number of high risk budgets which had been identified as requiring detailed monitoring throughout the year; commuted sums currently held by the Council; details of the Council's Direction of Travel; and Comprehensive Spending Review 2007.

The Leader added that the Resources Overview and Scrutiny Panel had on 25 August 2011 considered the report, and an Excerpt from the draft Minutes of that meeting (ROSP.62/11) had been circulated. The Panel had resolved:

"1) That the report be noted.

2) That a private report be submitted to the Panel on 13 October 2011 clarifying the information in relation to budget Overview and Monitoring Reports."

The Governance and Resources Portfolio Holder emphasised that although certain difficult areas, over which the Council had little control, had been flagged up within the report it was the first quarterly monitoring report and the Senior Management Team would support the Executive to ensure that the Budget was sustainable at the year end.

**Summary of options rejected**    None

## **DECISION**

That the Executive:

1. Noted the budgetary and performance position of the Council to June 2011;
2. Noted the potential forecast year end position for 2011/12; and
3. Noted the planned efficiencies.

## **Reasons for Decision**

To show that the Executive had been informed of the Council's actual financial position compared with the budget position and to bring to their attention any areas of concern.

## **EX.113/11    TREASURY MANAGEMENT APRIL – JUNE 2011** (Non Key Decision)

**Portfolio**    Governance and Resources

## **Subject Matter**

The Assistant Director (Resources) submitted report RD.40/11 providing the regular quarterly report on Treasury Transactions including the requirements of the Prudential Code. Members were asked to receive the report and note the Prudential Indicators as at 1 July 2011.

The Governance and Resources Portfolio Holder explained that the position set out in the report was the result of historically low bank base rates. He added that the Council's treasury management function continued to be well managed and accordingly moved the report.

**Summary of options rejected**    None

## **DECISION**

That Report RD.40/11 be received and the Prudential Indicators noted as at 1 July 2011.

## **Reasons for Decision**

To inform the Executive of various Treasury Management issues.

**EX.114/11    2011/12 QUARTER 1 CORPORATE PLAN PERFORMANCE REPORT**  
(Non Key Decision)

**Portfolio**    Performance and Development

## **Subject Matter**

The Policy and Performance Officer submitted report PPP.11/11 being the first report of the revised 2011/12 Corporate Plan.

He informed Members that the report constituted the first quarterly report presented in the new style agreed by the Executive on 22 November 2010, adding that progress made in the delivery of each of the Corporate Plan Key Actions was documented along with any risks associated with the delivery of the action and relevant performance indicators.

The Policy and Performance Officer explained that each of the Key Actions had been assessed, in conjunction with Assistant Directors and Service Managers, and awarded a red, amber or green rating. He added that the majority of the Key Actions had shown good progress and would be green if the risks were mitigated.

Members' attention was also drawn to the summary of recent consultation findings, update on Transformation and key achievements provided within his report.

The Performance and Development Portfolio Holder expressed the hope that the good progress outlined would continue throughout the year.

Referring to Section 4.6, the Community Engagement Portfolio Holder informed Members that a Lean Systems Service Review was underway which should help departments to work better. Consideration was also being given to working relationships with outside organisations.

**Summary of options rejected**    None

## **DECISION**

That the Executive had considered the performance of the City Council, as presented in Report PPP.11/11, with a view to seeking continuous improvement in how the Council delivered its priorities.

### **Reasons for Decision**

The purpose of the report was to highlight the performance of the City Council in the first Quarter of 2011/12, acknowledge the key successes of the year so far and identify areas for improvement.

### **EX.115/11 BAD DEBT WRITE-OFFS FOR NNDR, COUNCIL TAX AND DEBTORS (INCLUDING PENALTY CHARGE NOTICES)** (Non Key Decision)

**Portfolio** Governance and Resources

### **Subject Matter**

The Assistant Director (Resources) submitted report RD.41/11 recommending the write-off of bad debts over £1,000 and informing the Executive of actions taken to write-off bad debts under £1,000.

The Governance and Resources Portfolio Holder emphasised that bad debts were pursued as far as possible, as evidenced by the 'write-ons' totalling £33,551.44. He then moved the recommendations contained within the report.

**Summary of options rejected** None

## **DECISION**

That the Executive agreed to:

1. Write-off the sum of £131,919.46 in respect of debts over £1,000.
2. Note the Assistant Director (Resources)' action in writing off debts totalling £61,138.26 in respect of bad debts under £1,000.
3. Note that the costs would fall against the:

General Fund	£ 94,610.84
Council Tax Pool	£ 8,528.73
NNDR Pool	£ 89,918.15
<b>TOTAL</b>	<b>£193,057.72</b>

4. 'Write-ons' would be credited as follows:

General Fund	£ 18,544.56
Council Tax	£ 7,957.61
NNDR Pool	£ 7,049.27
 TOTAL	 £ 33,551.44

### **Reasons for Decision**

The debts requested to be written off were considered to be irrecoverable.

### **EX.116/11 DISPOSAL OF LAND FOR AFFORDABLE HOUSING, DALTON AVENUE, RAFFLES, CARLISLE** (Non Key Decision)

**Portfolio** Governance and Resources; Environment and Housing

### **Subject Matter**

The Assistant Director (Resources) submitted a joint report with the Assistant Director (Community Engagement) (RD.36/11 and CD.11/11) concerning a proposal to provide affordable housing on land at Dalton Avenue, Raffles, Carlisle.

The Assistant Director (Resources) outlined the context under which the proposal was brought before Members commenting that the Raffles Redevelopment Scheme was a priority initiative in the west of the City, the aim of which was to bring forward transformational change and regeneration to a community where previously failing housing stock, with high voids and turnover, had fuelled increasing social problems and deprivation. The physical regeneration of the Estate had commenced in 2004 and was being delivered through a public / private partnership between the City Council and Lovell Partnership Ltd. The Partnership Agreement set out a ten year master plan to build 435 affordable homes for sale, of which approximately 210 units had been delivered to date. More recently, in response to the economic climate and downturn in the housing market, the scheme had also seen the provision of affordable rented homes to Registered Providers. He added that there was a clear and increasing need for suitable, quality affordable housing in the Carlisle District.

The Dalton Avenue site (extending to 0.845 hectares) was currently allocated in the Local Development Framework for residential use and fell within the umbrella of the Council's Development Partnership with Lovells. It was proposed to develop the site with 37 dwellings which would be sold to, and managed by, a Registered Provider / Housing Association for the provision of affordable rented accommodation, details of which were provided.

The Assistant Director (Resources) stated that the scheme was brought forward under the Homes and Community Agency (HCA) Affordable Homes Programme (AHP) for Cumbria 2011 - 2015. It brought together the HCA, Local Authorities and investment partners to bid for grant aid for the delivery of new affordable rented accommodation. He added that in May Lovell Partnership, supported by the Council, had submitted a developer led bid for an allocation of grant aid to help facilitate the delivery of the Dalton Avenue scheme. Local assessment bids had been undertaken by the HCA based on the strategic fit, value for money, deliverability and the viability of proposals. It was announced in July that Lovell had been successful on the HCA's Affordable Homes Programme and that would now go forward for the early completion of a contract between the HCA and successful bidder.

Details of the anticipated level of grant aid awarded to the developer, which would be passed on to the Registered Provider / Housing Association to support their purchase bid, were set out in the private report to be considered later on the agenda.

In conclusion, the Assistant Director (Resources) outlined a number of balanced outcomes which could potentially be brought together under the scheme, which was therefore commended to the Executive.

The Environment and Housing Portfolio Holder said that the proposal constituted a superb 'good news' story for the City Council. He therefore had pleasure in moving the Officers' recommendation.

The Economic Development Portfolio Holder wished to place on record her appreciation of the work undertaken by Officers over a period of time.

The Performance and Development Portfolio Holder added that the regeneration of Raffles was a credit to the City Council and its staff. He considered the level of change achieved in a relatively short period of time to be extraordinary.

**Summary of options rejected**    None

## **DECISION**

That the Executive supported the proposal, as detailed within Report RD.36/11 and CD.11/11, and granted consent to a Variation of the Lovell Partnership Agreement in order to release and dispose of the land required for the scheme, subject to final terms agreed by the Property Services Manager.

## **Reasons for Decision**

The delivery of affordable housing is one of the Council's priority corporate objectives. The proposal would deliver an additional 37 units towards the Council's strategic targets, whilst also generating a capital receipt in line with the objectives of the Asset Review Business Plan.

## **PUBLIC AND PRESS**

**RESOLVED** – That in accordance with Section 100A(4) of the Local Government Act 1972 the Public and Press were excluded from the meeting during consideration of the following items of business on the grounds that they involved the likely disclosure of exempt information as defined in the paragraph number (as indicated in brackets against each minute) of Part 1 of Schedule 12A of the 1972 Local Government Act.

### **EX.117/11 ENFORCEMENT ACTION UPDATE**

(Key Decision)

(Public and Press excluded by virtue of Paragraphs 3 and 6)

(With the consent of the Chairman, and in accordance with Rule 15 of the Access to Information Procedure Rules, this item was included on the Agenda as a Key Decision, although not in the Forward Plan)

**Portfolio** Economic Development

#### **Subject Matter**

The Assistant Director (Economic Development) submitted private report ED.29/11 updating Members on current and proposed enforcement action.

She reported that the Development Control Committee had on 19 August 2011 (DC.64/11) resolved:

"1) That Officers be authorised to serve an Urgent Works Notice under Section 54 of the Planning (Listed Buildings and Conservation Areas) Act 1990 on the owners of the property.

2) That the Executive be requested to consider the release of funds from the Council's Conservation Funds to enable the work under the Urgent Works Notice to be completed."

A copy of the Minute Excerpt had been circulated.

In conclusion, the Assistant Director (Economic Development) requested that Members agree to release the budget in order that the measures outlined could be undertaken.

The Economic Development Portfolio Holder welcomed submission of the report and moved the recommendation contained therein.

**Summary of options rejected** None

## **DECISION**

That the Executive released the Conservation Fund budget for the implementation of an Urgent Works Notice under Section 54 of the Planning (Listed Buildings and Conservation Areas) Act 1990 in relation to the Central Plaza Hotel.

### **Reasons for Decision**

The recommendation provided the most appropriate measure to deal with outstanding issues on a significant listed building in the City Centre where concerns over the condition of the building were paramount and alternative solutions working with the owners had stalled.

### **EX.118/11 DISPOSAL OF LAND FOR AFFORDABLE HOUSING, DALTON AVENUE, RAFFLES, CARLISLE** (Non Key Decision)

(Public and Press excluded by virtue of Paragraph 3)

**Portfolio** Governance and Resources; Environment and Housing

### **Subject Matter**

The Assistant Director (Resources) submitted a joint private report with the Assistant Director (Community Engagement) (RD.36/11 and CD.11/11) outlining the financial aspects of the proposal to provide affordable housing on land at Dalton Avenue, Raffles, Carlisle in conjunction with the Council's private sector partner, Lovell Partnership Ltd.

**Summary of options rejected** None

## **DECISION**

That the Executive noted and endorsed the financial aspects of the scheme in support of the proposal set out in the public Report (RD.36/11 and CD.11/11) to provide affordable housing on land at Dalton Avenue, Raffles, Carlisle.

### **Reasons for Decision**

To support the delivery of affordable housing and generate a capital receipt in line with the objectives of the Asset Review Business Plan.

### **EX.119/11 LAND AND PROPERTY TRANSACTION – TRANSFER OF SEWAGE TREATMENT WORKS** (Non Key Decision)

(Public and Press excluded by virtue of Paragraph 3)



**Portfolio** Governance and Resources; Environment and Housing

**Subject Matter**

The Assistant Director (Resources) submitted private report RD.39/11 seeking the Executive's consent to the release and transfer of the Council's Sewage Treatment Works, subject to final terms and conditions agreed by the Property Services Manager.

The Environment and Housing Portfolio Holder then moved the recommendation.

**Summary of options rejected** None

**DECISION**

That the Executive granted consent for the release and transfer of the Council's freehold interest in the Sewage Treatment Works, as detailed within Report RD.39/11, subject to final terms and conditions agreed by the Property Services Manager.

**Reasons for Decision**

To more effectively manage the Council's land holdings by releasing and bringing forward the transfer of an asset which is a financial liability. To enable the resident owners and users of the facility to take ownership, control and responsibility for the undertaking.

**EX.120/11 RECOGNITION OF LOCAL BUSINESS**

(Non Key Decision)

(Public and Press excluded by virtue of Paragraph 3)

**Portfolio** Leader's Portfolio

**Subject Matter**

The Assistant Director (Governance) submitted private report GD.50/11 providing details of a request from United Biscuits to form a relationship with the Council to recognise their longstanding links with the City of Carlisle. In particular, the Company wished to display the Council's Coat of Arms on its range of Carr's products.

The Leader commented upon the world wide nature of the Carr's Biscuits brand. He was, on behalf of the Executive, very pleased to move the Assistant Director's recommendations which cemented the company's association with Carlisle.

**Summary of options rejected**    None

## **DECISION**

That the Executive:

1. In recognition of the longstanding and important relationship between the City of Carlisle and Carr's Biscuits, agreed and authorised the use of the Council of the City of Carlisle Coat of Arms on Carr's Biscuits Products in accordance with the terms of a Licence Agreement.
2. Authorised the Assistant Director (Governance), as he deemed appropriate, to negotiate, settle and execute the said Licence Agreement to include the sponsorship of the Council's Annual Civic Awards.

## **Reasons for Decision**

To recognise the relationship between Carr's Biscuits and the City of Carlisle.

**EX.121/11    BAD DEBT WRITE-OFFS FOR NNDR, COUNCIL TAX AND DEBTORS (INCLUDING PENALTY CHARGE NOTICES)**  
(Non Key Decision)

(Public and Press excluded by virtue of Paragraph 7)

**Portfolio**    Governance and Resources

## **Subject Matter**

The Assistant Director (Resources) submitted private report RD.41/11 providing details of actual bad debt cases. Members were asked to consider writing off debts over £1,000 as set out in Appendices 1 and 2 of the report.

**Summary of options rejected**    None

## **DECISION**

That the bad debts over £1,000, as detailed in the Appendices to Report RD.41/11, be written off.

## **Reasons for Decision**

To receive details of individual bad debt cases.

(The meeting ended at 12.48 pm)