

## **RESOURCES OVERVIEW AND SCRUTINY PANEL**

**TUESDAY 13 JUNE 2017 AT 10.00AM**

**PRESENT:** Councillor Mrs Bowman (Vice Chairman), Councillors Allison, Mrs Glendinning, Mallinson J, McNulty (as substitute for Councillor Mrs Birks), Shepherd (as substitute for Councillor Robson) and Watson

**ALSO PRESENT:** Councillor Dr Tickner – Deputy Leader, and Finance, Governance and Resources Portfolio Holder

**OFFICERS:** Town Clerk and Chief Executive  
Chief Finance Officer  
Regulatory Services Manager  
Licensing Manager  
Policy and Performance Officer  
Overview and Scrutiny Officer

In the absence of the Chairman, the Vice Chairman took the Chair.

### **ROSP.33/17 WELCOME**

The Chairman welcomed all those present to the first meeting of the Panel in the new municipal year.

### **ROSP.34/17 APOLOGIES FOR ABSENCE**

Apologies for absence were submitted on behalf of Councillors Mrs Birks, Mrs Riddle (Chairman) and Robson.

### **ROSP.35/17 DECLARATIONS OF INTEREST**

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

### **ROSP.36/17 PUBLIC AND PRESS**

It was agreed that the items of business in Part A be dealt with in public and Part B be dealt with in private.

### **ROSP.37/17 MINUTES OF PREVIOUS MEETINGS**

**RESOLVED** – (1) That the minutes of the meeting held on 23 February 2017 be agreed as a correct record of the meeting and signed by the Chairman

(2) That the minutes of the meeting held on 13 April 2017 be noted.

### **ROSP.38/17 CALL-IN OF DECISIONS**

There were no items which had been the subject of call-in.

The Overview and Scrutiny Officer presented report OS.13/17 providing an overview of matters relating to the work of the Resources Overview and Scrutiny Panel.

The report recorded that the Notice of Executive Key Decisions had been published on 5 May 2017; the following items fell within the remit of the Panel and had been included in the Panel's Work Programme:

KD.06/17 – 2016/17 Provisional Outturn Reports

KD.07/17 – The Medium Term Financial Plan (including the Corporate Charging Policy) and the Capital Strategy 2018/19 to 2022/23

KD.08/17 – The Asset Management Plan 2017 to 2022

KD.10/17 – Street Trading Policy

KD.14/17 – Kingstown Industrial Estate – Management Arrangements

The Overview and Scrutiny Officer underlined the proposal that Corporate Directors and Portfolio Holders would be invited to the next Panel meeting to aid the Panel in defining their work programme for the year. Members were also reminded that Scrutiny was a member-led function and the work programme items were chosen by the Panel.

Referencing Section 4, the Overview and Scrutiny Officer reported that three Members of the Panel were Members of both the City Council and Cumbria County Council and, over the coming year, two meetings of the Resources Overview and Scrutiny Panel were scheduled to clash with meetings of the County Council. Previously the Panel had chosen to move the starting time of its meetings from 10.00am to 2.00pm to avoid a direct clash and Members were asked to consider whether they wished to do likewise for the meetings to be held on 14 September 2017 and 15 February 2018.

Members were further reminded of the renewed focus on effective member-led and policy scrutiny and, by way of assistance; two training sessions were being provided by the LGiU on 27 June 2017.

The Chairman invited Members' comments regarding the timing of the 14 September 2017 and 15 February 2018 Panel meetings.

In response the Deputy Leader, and Finance, Governance and Resources Portfolio Holder stated that his diary had been planned around the meetings as currently scheduled and any change of timing may be problematic due to his professional commitments.

A Member considered the Portfolio Holder's presence at Panel meetings to be very desirable. If a change in timing meant that the Portfolio Holder was unable to attend then his preference was to arrange for a substitute to attend or, alternatively, not attend the County Council meetings.

The Chairman pointed out that the schedule of City Council meetings was confirmed prior to publication of the County Council diary. Accordingly she was minded that the Resources Overview and Scrutiny Panel meetings go ahead as scheduled.

Speaking by way of assistance the Deputy Leader offered to investigate whether it was possible to amend his professional work schedule and report back to the Chairman.

Members were agreeable with that course of action, and that the final decision be left to the discretion of the Chairman.

The Chairman referred to the proposed changes to the remits of the Overview and Scrutiny Panels, requesting that the Overview and Scrutiny Officer provide, in early course, a full briefing on the areas to be covered by the Resources Overview and Scrutiny Panel in order that Members may be appraised in advance of the next Panel meeting when the matter would be discussed.

She also asked that Panel Members give some thought to other potential areas of work whereby the Panel may add value e.g. Task and Finish Groups / evidence based sessions.

RESOLVED –(1) That the Overview Report incorporating the Work Programme and Key Decision items relevant to the Resources Overview and Scrutiny Panel (OS.13/17) be noted.

(2) That Corporate Directors and Portfolio Holders be invited to attend the Panel's meeting on 3 August 2017 to aid the Panel in defining their work programme for the year.

(3) That the Overview and Scrutiny Officer arrange to include within the Overview Report to the next Panel meeting the areas to be covered by the Resources Overview and Scrutiny Panel under the revised Panel remits prior to the next meeting.

(4) That, following receipt of clarification regarding the availability of the Deputy Leader, and Finance, Governance and Resources Portfolio Holder, the Chairman be authorised to determine the timing of the Panel meetings on 14 September 2017 and 15 February 2018.

## **ROSP.40/17      STREET TRADING POLICY**

The Deputy Leader, and Finance, Governance and Resources Portfolio Holder introduced report GD.35/17 which presented proposals for a new Street Trading Policy and revised Street Trading Order for controlling street trading in the District.

The Deputy Leader gave a brief overview of the background position, namely that the Local Government (Miscellaneous Provisions) Act 1982 allowed the City Council to adopt powers in respect of restricting street trading in its area. The former Environmental Health Committee had adopted the street trading powers under the Act on 17 October 1984. The first street trading order prohibited trading in most of the streets and Wards of the urban area within the City, with two further Orders being approved in 1994 and 1998 prohibiting trading in Brampton's Market Place and Kingstown Industrial Estate respectively. He added that the revised Street Trading Order brought the three former Orders together into one simpler Order.

The Executive had considered the matter on 8 May 2017 (EX.33/17 referred) and resolved:

“That the Executive:

1. Had given consideration to the proposed Street Trading Policy 2017 and the revised Street Trading Order, attached at Appendices 1 and 2 to Report GD.20/17.
2. Requested that the Corporate Director of Governance and Regulatory Services undertake a full consultation on the proposed Street Trading Policy and revised Street Trading Order.”

The Regulatory Panel had considered the matter on 24 May 2017 (RP.25/17 referred) resolving to support the proposed Street Trading Policy as set out in report GD.28/17.

The Licensing Manager then set out the definitions of streets with regard to street trading and explained that Carlisle District had a mixture of prohibited and consent streets. For the assistance of Members she tabled copies of a map highlighting the current position.

Due to the length of time since the last review and concerns raised that the existing orders were too restrictive and did not offer flexibility to encourage business opportunities, it was considered timely to review the Street Trading Policy.

The Licensing Team had worked alongside Legal Services, Green Spaces, City Centre Management and Property Services and consulted with Brampton Parish Council in order to prepare the new Policy and Order. In summary the order would make all streets in the Carlisle District consent streets and it was believed that some street trading could be beneficial in the current prohibitive areas and adequate controls would continue to be maintained.

The Order designated all streets in the District as Consent Streets, meaning that street trading was prohibited without a valid Consent Permit issued by the City Council's Licensing Team.

Schedule 4 of the Act detailed the formal consultation process that must be followed before the Council could pass its resolution to designate streets as consent streets. The resolution was required to be published in a local newspaper and a copy served on the Chief Officer of Police for the area and the Highway Authority for the designated streets. A further notification process was detailed once representations had been considered.

The Licensing Manager further tabled a paper summarising the comments received from Licence Holders; and Cumbria County Council Highways Services, the deadline for consultation responses being 9 June 2017.

She added that Section 4 of the Policy detailed the criteria to be used in assessing street trading consent applications; with Appendix B setting out consent areas within the previously prohibited City Centre and Industrial Estates where street trading was deemed acceptable.

The Street Trading Policy required proof that permission had been given from the landowner, including Highways, before an application would be considered. The Policy also gave examples of typical conditions that may be attached to a Consent Permit.

Detailed scrutiny ensued during which Members raised the undernoted questions and issues:

- *Who had raised the concerns alluded to at paragraph 2.2 of the report?*

The Licensing Manager explained that queries had been received from a number of potential traders to occupy pitches where consent would not currently be granted. One application to trade on the Sands Centre car park had been allowed as a pilot exercise.

- *A Member noted that the Policy would be applied to the whole of the Carlisle District, the intention being to allow for street trading in a greater variety of locations than was currently the case. She believed, however, that the policy would benefit from the inclusion of a form of words clarifying, for the avoidance of doubt, the purpose thereof and, in particular, that not all streets would be opened up to trading.*

The Regulatory Services Manager advised that, as part of the process, Officers had written a prescriptive Policy taking into account issues including the potential volume of work to the authority and the manner by which trading could effectively be controlled. Section 2 of the report referenced the grounds for issue / designated areas where trading would be deemed acceptable.

- *Would the Policy benefit from further clarity as regards the street trading activities which would be exempt from the requirement to obtain a prior consent from the Council?*

In response, the Licensing Manager summarised the legal exemptions detailed at Section 3 of the Policy, together with the considerations which would be taken into account in determining whether or not consent should be granted (Section 4 referred).

The Regulatory Services Manager emphasised that the definitions (Section 2) were a matter of national legislation and the Council did not have discretion in that regard.

- *Paragraph 4.1 recorded that, to date, only Brampton Parish Council had been consulted. When would consultation take place with the other Parish Councils?*

The Regulatory Services Manager reminded Members that, as was reported earlier, an existing Order was in place prohibiting trading in Brampton's Market Place. The proposed Policy represented a change to that existing Policy, as a result of which Brampton Parish Council had been consulted. Although other Parish Councils were not similarly affected they would be consulted as part of the process.

The Licensing Manager added that following receipt of an application the relevant Parish Council would be consulted.

*Whilst taking the point, another Member believed that the Policy would be of interest to other Wards, particularly those of significant size (e.g. Longtown). The Member wished to encourage such dialogue moving forward.*

- *Paragraph 4.1 recorded a number of scenarios whereby street trading consents would not normally be granted. A Member was of the opinion that may be construed as obstructive.*

The Regulatory Services Manager cautioned upon the need for care as concerns had been raised by businesses operating out of fixed premises regarding the unfairness of competition since mobile vendors did not pay business rates. He added that the authority wished to ensure fair competition, whilst offering greater flexibility to encourage business opportunities.

- *Was there any evidence to suggest that the Street Trading Policy would encourage increased footfall in the City Centre?*

The Regulatory Services Manager advised that, in formulating the Policy, the Council had regard to the Regulators Compliance Code and, in particular, how it might support or enable economic growth for compliant businesses whilst protecting existing businesses. If one could create a sense of place then increased footfall was more likely.

- *What was the reasoning behind the proposed 50 metres distance for prohibiting street trading close to a school?*

The Regulatory Services Manager replied that the 50 metre distance was arbitrary and based upon policies adopted by other Districts. The Policy could, however, be amended moving forward.

*A Member referenced Carlisle's Healthy City status and suggested that it may be prudent to impose a 100 metre exclusion zone around schools for food and drink traders. Another Member saw no reason for amendment of that aspect.*

- *A Member expressed concern regarding the aggressive nature of certain charitable collectors together with the quality of music played by buskers, who on occasion utilised the seating provided within the City Centre.*

In response, the Licensing Manager clarified that the Council issued permits for charitable street collections but that did not form part of the Street Trading Policy under consideration today.

The Chairman added that the concerns alluded to were more properly city centre management issues.

- *A Member referred to Section 4.1 (avoidance of nuisance) and the fact that people resided within the City Centre. She questioned whether street trading hours would be restricted to avoid potential nuisance to those residents.*

*Notwithstanding the above, she understood the need for balance in terms of the vitality of the City Centre.*

The Licensing Manager confirmed that the City Centre Management Team would take decisions upon hours of trading, following which the Licensing Team would grant consent accordingly. Enforcement action would be taken should a trader breach that consent.

- *A Member sought clarification of the position regarding direct debit collectors; and the number of steps a collector may take when approaching the public?*

The Licensing Manager replied that direct debit collectors did not collect cash and were not therefore legislated. She further outlined the agreement reached with the Public Fundraising Regulatory Authority (PFRA) and the complaints procedure in cases where complaints were received. On the latter issue the number of steps was three.

The Deputy Leader, and Finance, Governance and Resources Portfolio Holder stated that the issue concerned competition in the market place. He emphasised that the Street Trading Policy was an enabling policy, subject to the specified criteria being met. Ultimately, however, it was a matter for the individuals involved. In terms of the potential for increased footfall, he considered that a vibrant city centre helped drive up footfall.

- *In certain areas of the country traders operated successfully from car parks (e.g. park and ride). The Council would be recompensed therefor which was to be encouraged.*
- *Please expand upon Section 5 - conditions, management and enforcement; the fee structure and whether street traders would gain an advantage over those who paid business rates.*

In response, the Licensing Manager outlined the enforcement / prosecution process which would be undertaken as appropriate. Currently the City Council charged £210 for a Street Trading Consent and £50 for a Street Trading Consent (occasional). Determination of fees in relation to pitches located within the City Centre / green spaces was a matter for the City Centre Management Team and the Green Spaces Team. There would be an income stream for the Council.

On that latter point, the Regulatory Services Manager stated that an income stream could not emanate from the cost of administering the permits.

The Deputy Leader reiterated that, subject to the required criteria being met, street trading consent would be granted. The Executive would look to ensure that fair competition took place.

RESOLVED – (1) That the Resources Overview and Scrutiny Panel had given consideration to the draft Street Trading Policy and revised Street Trading Order, as appended to Report GD.35/17.

(2) That the undernoted observations be conveyed to the Executive:

- (a) The Panel welcomed the revised and simplified documentation which would encourage trading activity within the District.
- (b) The Panel recommended the inclusion of wording within Section 1 of the Street Trading Policy to clarify, for the avoidance of doubt, the purpose thereof.
- (c) That the full consultation to be undertaken by the Corporate Director of Governance and Regulatory Services (Minute EX.33/17 referred) include Parish Councils, particularly the larger Parishes (e.g. Longtown) which may be affected to a greater degree.
- (d) That the Panel accepted that for the permits the Council could impose fees covering the cost of administration of the applications, but would encourage Directorates to give consideration to the creation of revenue.
- (e) Given Carlisle's Healthy City status, it was considered that an exclusion zone of 100 metres should be imposed around schools for food and drink traders.

Councillor Watson was not in agreement with recommendation (2)(e).

## **ROSP.41/17      CORPORATE PROGRAMME BOARD**

The Town Clerk and Chief Executive reported(CE.07/17) that the Transformation Board had subsumed the work of the Corporate Programme Board, its role being to ensure that effective governance arrangements were in place for projects undertaken by the Council. The Report provided an update on the work of the Transformation Board together with projects being undertaken by the Council.

In terms of project progress over the past six month period, the Town Clerk and Chief Executive explained that a summary of the status of current projects within the Council was provided at Appendix 1 to the report. The majority of Council projects were progressing to schedule; certain projects had been given an amber rating which indicated that some issues needed to be addressed and he outlined those for the benefit of Members. There were, however, no major issues.

Attention was further drawn to Section 2.1 of the report which detailed the key achievements and achievements per project from the last six months. Appendix 2 of the report set out a summary of the stand alone IT projects and their status.

In considering the report Members raised the following questions:

- *The successful tender in respect of the Castle Way Crossing exceeded the available budget. It would have been helpful if the report contained further information on the reasons why.*

- *Referring to Report RD.04/17 (Provisional Capital Outturn 2016/17 and Revised Capital Programme 2017/18) a Member noted that the Capital Programme 2017/18 was based upon a number of factors including an increase of £258,300 for additional external contributions/grants received for projects, one of which was Castle Way - £29,700. He questioned who had taken the decision to proceed with the project which represented quite a significant cost to the authority.*

*The Member also made reference to the successful Durranhill Industrial Estate environmental improvements project commenting that those responsible should be commended for their work.*

In response, the Town Clerk and Chief Executive reiterated that the purpose of the Corporate Programme Board was to have an overview of the management of projects together with the decision making process. Members had been very clear that they wished the Castle Way crossing project to be completed. He undertook to provide Members with a written response providing greater detail on the issues raised.

The Deputy Leader, and Finance, Governance and Resources Portfolio Holder commented that accurate estimating for large projects was difficult due to the number of variables / risks involved.

- *Could one be confident that the Crindledyke cycleway project would be completed by the funding deadline of July 2018, bearing in mind that work was still in progress?*

The Deputy Leader advised that clearly progressing the project was a matter for the site supervisor. He could look into the matter, but was not in a position to give a guarantee regarding completion.

RESOLVED – (1) That the Transformation Board update (CE.07/17) be noted.

(2) That the Town Clerk and Chief Executive arrange to provide a written response to Panel Memberson the Castle Way Crossing tender, including further detail on the decision making process; why the tender had exceeded the available budget and the additional funding resources which would be utilised to resolve that.

## **ROSP.42/17      2016/17 SICKNESS ABSENCE END OF YEAR**

The Town Clerk and Chief Executive submitted report CE.06/17 setting out the authority's sickness absence levels for the period April 2016 and March 2017 and other sickness absence information.

The Town Clerk and Chief Executive provided a brief overview of the background position, informing Members that the 2015/16 sickness absence levels had decreased by approximately 29% to 8.6 days lost per Full Time Equivalent (FTE) employee compared to the previous year.

Appendix 1 to the report provided sickness absence levels split by the new directorates in the last six months of 2016/17. Compared to 2015/16, 2016/17 levels had decreased by 14% to 7.4 days lost per FTE employee. That was the City Council's lowest level of sickness absence for over twelve years. The new structure took effect from 1 October 2016 so it had not been possible to carry out any directorate level analysis.

The number of long term absences had also fallen with forty employees absent for over twenty eight days in 2016/17 compared to sixty in the previous year.



The report detailed the trends in relation to days lost to sickness absence per FTE per year, working days lost per month and days lost per person per month. Information on the reasons for absences was detailed within the report, along with the average time taken to complete Return to Work Interviews.

In conclusion the Town Clerk and Chief Executive considered the performance to be extraordinary given the significant savings which the Council had to achieve, reduction in staffing numbers, the environment nationally, coupled with evidence of employee morale within the authority.

Discussion arose during which the following questions were raised:

- *The table at Section 4 recorded that the average time taken to complete return to work interviews within the Economic Development was greater than other Directorates, with a lower proportion of interviews being completed within five working days. Why was that?*

The Town Clerk and Chief Executive was unaware of any systemic reason or particular issue, adding that sickness absence was monitored by the Senior Management Team.

The Deputy Leader, and Finance, Governance and Resources Portfolio Holder pointed out that Economic Development had the lowest head count (page 85), and that performance may be affected by factors such as a Manager being on leave when an employee returned to work.

- *Was there a reason behind the pattern depicted in the graph on page 80 which showed two 'good' years followed by one 'bad' year throughout the period 2005/06 to 2016/17, and was management confident that the days lost to sickness would not increase again moving forward?*

The Town Clerk and Chief Executive could not comment immediately upon the apparent trend, but expressed the hope that the good performance would continue in the coming year.

- *A Member remained concerned that long term absence was a major factor for the authority.*

In response, the Town Clerk and Chief Executive explained that the issue was one of statistics i.e. the smaller the authority became the greater impact a long term absence would have. He personally took steps to ensure that Managers received the support necessary in managing long term absences and was comfortable with the management arrangements currently in place.

- *Stress was a key contributor to sickness absence. Were front line services affected to a greater degree and what measures were in place to provide support to those suffering from stress, depression and mental health issues?*

The Town Clerk and Chief Executive confirmed that the authority provided a great deal of support via initiatives including the Employee Assistance Programme, and health and wellbeing activities. Organisational Development had worked extremely hard to ensure access to those opportunities for all.

In addition, Mr Michael Boaden (Carlisle and Eden Mind) had recently briefed managers on Wellness Action Plans, the aim of which was to open dialogue between managers and employees around mental health issues.

There was no evidence that, as an organisation, the City Council was disproportionately affected by stress.

- *Doncaster Council had undertaken a large study on the impact of stress upon employees. Could any extrapolations be drawn from that study?*

The Town Clerk and Chief Executive reiterated that he was not aware of any evidence to suggest that stress was a significant problem for Carlisle City Council.

The Deputy Leader felt confident that staff were being provided with the necessary levels of support.

RESOLVED – (1) That the 2016/17 Sickness Absence end of year report (CE.06/17) be noted.

(2) That the Panel recognised the help and support provided to staff; welcomed the reduction in sickness absence; and looked forward to receiving an update report at a future meeting.

#### **ROSP.43/17      END OF YEAR PERFORMANCE REPORT 2016/17**

The Policy and Performance Officer submitted report PC.09/17 containing the fourth quarter performance against the current service standards and a summary of the Carlisle Plan 2015-18 actions as defined in the 'plan on a page'.

In terms of the Carlisle Plan a brief overview of the current position had been provided, with only those actions within the remit of the Panel being included.

The Policy and Performance Officer concluded by reminding the Panel that performance reporting options workshops had been planned for Members on 20 June 2017.

*A Member referenced the ongoing key action to promote development opportunities for City Council property assets at Caldew Riverside and English Street with Cumbria County Council and questioned whether there was any indication of positive progress in that area.*

The Town Clerk and Chief Executive replied that discussions with the County Council and other interested parties were continuing, which may lead to a positive outcome.

The Chairman thanked the Policy and Performance Officer for what was a very clear report.

RESOLVED – That the Resources Overview and Scrutiny Panel:

(1) Had considered the performance of the City Council presented in report PC.09/17 with a view to seeking continuous improvement in how the Council delivered its priorities.

(2) Noted that 95% of Corporate Complaints had been dealt with within timescale and congratulated those Officers involved on that performance.

(3) Looked forward to receiving the next performance report in due course.

#### **ROSP.44/17      PROVISIONAL GENERAL FUND REVENUE OUTTURN 2016/17**

The Chief Finance Officer presented report RD.03/17 summarising the provisional outturn for the 2016/17 General Fund Revenue Budget. Members were advised that the outturn position showed that the net underspend for Council services as at 31 March 2017, once items to be carried forward / transferred to reserves totalling £800,300 and accounting treatment changes of £1,202,906 were taken into account, was £441,832; and that the information contained within the report was provisional and subject to the formal audit process.

The report recorded that:

- the Council's revised budget for 2016/17 which totalled £14,365,700;
- the net Council budget (Section 2.2); and
- the Council's original gross budget for 2016/17 was £59.06m and, although there were many individual variances as detailed by directorates, the net underspend equated to 0.76% of the budget.

The Chief Finance Officer highlighted the provisional outturn shown at Section 2, further details for each Directorate being included in Appendices B1 – B6; together with some of the significant service expenditure and income variances set out at Section 3.2. The reallocation of central departments' balances to service areas still had to be carried out, which explained many of the small balances held on some management and support service centres. That reallocation would be completed before the Statement of Accounts was prepared and had no impact on the overall out-turn position.

Members' attention was also drawn to the carry forward requests submitted by Directorates, details of which were set out at Appendix C1 to the report; and that details of the transfers into new/existing reserves and provisions requested as part of the outturn process were contained within Appendix C2 and summarised at Section 5. The level of Council reserves had been approved by Council in February 2017. Due to the level of underspend identified within the report after all carry forward requests were approved and transfers to/from earmarked reserves, approximately £1,029,000 would be returned to the General Fund Reserve.

Information on the Council's bad debt provision and balance sheet issues was also provided at Sections 6 and 7 of the report.

The Executive had considered the matter on 5 June 2017 (EX.41/17 referred) and resolved

"That the Executive:

- (i) Noted the net underspend as at 31 March 2017 of £441,832 after carry forwards as set out in (ii) below and net transfers to/from earmarked reserves as noted in (iii) below;
- (ii) Noted the committed expenditure totalling £393,000 to be met in 2017/18 which had been approved by the Chief Finance Officer under delegated powers, and the release of £393,000 in 2017/18 from the General Fund Reserve, for recommendation to Council;
- (iii) Approved for recommendation to Council, the creation of new reserves and transfers into the new and existing reserves of £407,300 as detailed in paragraph 4.3 and 5.1 and Appendix C2 of Report RD.03/17;
- (iv) Approved for recommendation to Council, the creation of new reserves and transfers into the new reserves of £1,202,906 in relation to accounting treatment amendments as set out at paragraph 5.2."

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

- *A Member sought clarification regarding the shortfall on income from the Lanes of £415,200 (paragraph 3.2 referred).*

*The Member commented that the John Lewis Partnership, for example, was proactive in taking steps to increase footfall via the introduction of radical new ideas. With that in mind he questioned what strategies were in place to do likewise in the Lanes.*

In response, the Chief Finance Officer explained that the shortfall alluded to was made up of £269,700 relating to a head rent adjustment for 2015/16 after completion of the detailed reconciliation of Head Rent calculation for 2015/16. That was received too late to be included

within the outturn position for 2015/16. Revised Head Rent Projections for 2016/17 had been estimated at a further shortfall of £145,500.

The Town Clerk and Chief Executive reminded Members that the City Council was a financial investor in the Lanes, but did not directly manage the Centre. The authority did, however, work with the Lanes management with a view increasing footfall and investment by other retailers, an example of which was the arrival of Primark.

Based upon her previous experience, the Chairman concurred with the Town Clerk and Chief Executive's statement regarding the management of the Lanes.

*Another Member believed that the Lanes management would have a greater ability to employ necessary skill sets. In his view the role of the Council should be to influence rather than control.*

- *A Member questioned whether the Council owned land or a freehold interest in the Lanes.*

The Town Clerk and Chief Executive undertook to respond to the Member clarifying the position.

- *Page 99 of the report recorded improved income levels from Garden Waste of £51,800 and Plastic and Card Recycling of £36,900. Would that trend be sustained following the Rethinking Waste project and what steps could be taken to increase income in other areas moving forward?*

The Deputy Leader, and Finance, Governance and Resources Portfolio Holder stated that reporting on the accounts was undertaken on an exception basis. The Council's original gross budget for 2016/17 was £59.06m and, although there were many individual variances, the net underspend equated to 0.76%. Officers had done exceptional work on behalf of the authority.

Members would also be aware that all collection rounds had been reviewed as part of the Rethinking Waste Project and, where possible and practical, the new service had started with effect from 12 June 2017. Clearly markets were very volatile, but Officers were monitoring the position as far as possible.

The Deputy Leader was very pleased with the report which would enable the Council to achieve minimum levels of reserves as soon as possible.

- *What was the reason for the shortfall in Development Control income of £70,600?*

In response the Deputy Leader clarified that Development Control income was dependent on both the number of planning applications received during any one financial year and the type of application.

- *The Tourist Information Centre was underachieving (shortfall on income of £50,900 – partly offset by underspends on expenditure of £38,700). What plans did the Executive have to improve the position?*

The Deputy Leader advised that the Culture, Heritage and Leisure Portfolio Holder was investigating the matter in detail. A report would be brought forward to the Panel when available.

In concluding this item of business, the Chairman thanked the Chief Finance Officer for her clear presentation of the report.

RESOLVED –(1) That the Resources Overview and Scrutiny Panel welcomed the submission of Report RD.03/17 summarising the 2016/17 provisional outturn for the General Fund Revenue Budget.

(2) That the Town Clerk and Chief Executive be requested to provide written clarification as regards land ownership / freehold interest in the Lanes.

(3) That the Panel looked forward to receiving a report on the Tourist Information Centre when that became available.

#### **ROSP.45/17            PROVISIONAL CAPITAL OUTTURN 2016/17 AND REVISED CAPITAL PROGRAMME 2017/18**

The Chief Finance Officer presented report RD.04/17 summarising the Provisional Outturn for the Council's Capital Budget, together with details of the revised Capital Programme for 2017/18. The outturn showed that the net underspend for Council services as at 31 March 2017 once committed expenditure totalling £4,406,000 was taken into account was £2,475.

The Chief Finance Officer set out the position with regard to carry forward requests on the Capital Programme commenting that, of the committed capital funds shown at paragraph 2.2, it was estimated that the full £4,406,000 would be spent in 2017/18. She also identified for Members the resources which had been used to fund the 2016/17 Capital Programme and detailed the 5 year Capital Programme for the period 2017/18 to 2021/22.

The programme for 2017/18 totalling £9,010,700 was based upon the programme as agreed by Council in February 2017 of £3,182,100, the commitments brought forward from 2016/17 as identified of £4,406,000, the commitments brought forward from 2016/17 already approved of £1,164,300 and an increase of £258,300 for additional external contributions / grants received for projects as detailed at paragraph 5.2.

The 2017/18 programme would be continually reviewed to ensure that the Council had the capacity to deliver that level of programme. The proposed funding arrangements for the revised 2017/18 programme were also outlined within the report.

The Chief Finance Officer pointed out that the information contained within the report was provisional and subject to the formal audit process.

The Executive had considered the matter on 5 June 2017 (EX.42/17 referred) and resolved

“That the Executive:

- (i)      Noted the net underspend as at 31 March 2017 of £2,475 which included committed expenditure to be met totalling £4,406,000, which had been approved under delegated powers by the Chief Finance Officer;
- (ii)     Note adjustments to the 2017/18 capital programme for Harraby Cycle Track Development, Disabled Facilities Grants, Castle Way S106 and Cracker Packer S106 to account for all external funding available towards the projects as detailed in paragraph 5 and Appendix B of Report RD.04/17;
- (iii)    Had considered the revised programme for 2017/18, together with the proposed methods of financing, as detailed at paragraph 5 and Appendix B, for recommendation to Council on 11 July 2017.”

- *A Member noted that page 35 - Appendix B1 showed a non-recurring commitment of £15,000 in respect of Public Realm/Cracker Packer (S106) and sought clarification regarding funding arrangements.*

The Chief Finance Officer explained that the revised capital programme for 2017/18 was detailed at Appendix B1, with the table at Section 5.4 suggesting how that would be funded. The table at Section 5.2 set out the additional external contributions / grants received for projects.

RESOLVED –That Report RD.04/17 and the information contained therein be noted and received.

#### **ROSP.46/17            TREASURY MANAGEMENT OUTTURN 2016/17**

The Chief Finance Officer presented report RD.05/17 providing the annual report on Treasury Management, as required under both the Financial Procedure Rules and the CIPFA Code of Practice on Treasury Management. Also submitted was the regular report on Treasury Transactions for the period 1 January 2017 to 31 March 2017. Members' attention was further drawn to developments in the Money Markets over the previous twelve months and their effect on the Council's investments, together with the various performance statistics included within the report.

The Executive had considered the matter on 5 June 2017 (EX.43/17 referred) and resolved that Report RD.05/17 providing the Annual Report on Treasury Management be received and recommended to the City Council for approval on 11 July 2017.

RESOLVED –(1) That Report RD.05/17 be noted and received.

(2) That the Resources Overview and Scrutiny Panel wished to place on record thanks to the Financial Services Team for their work.

#### **ROSP.47/17            PROVISIONAL OUTTURN FOR COUNCIL TAX AND NATIONAL NON DOMESTIC RATES 2016/17**

The Chief Finance Officer presented report RD.06/17 summarising the 2016/17 provisional outturn and performance position for Council Tax and National Non Domestic Rates.

She informed Members that for 2016/17, the estimated position on the collection fund for 2015/16 was a surplus of £718,247, with the Council's share being £92,824.29.

When the actual position was calculated at the end of 2015/16 the surplus on the Council Tax Collection Fund was £1,242,496.48 of which the Council's share was £159,180.30. That increase in the surplus was then redistributed in the estimate for 2017/18 for budgeting purposes.

The actual collection fund position for 2016/17 had been calculated and the surplus had again increased, now standing at £1,708,288. The current position on the Council Tax Collection Fund was as detailed at Section 2.1.4 of the report, with the Council's Council Tax collection performance for 2016/17 being 97.5%.

The Chief Finance also outlined the position with regard to the NNDR provisional outturn for 2016/17; bad debt write-offs and write-ons as itemised within the report.

2016/17 was the fourth year of the Business Rate Retention Scheme (BRRS) and new Collection Fund Accounting Regulations and the third year the Council had participated in the Cumbria Pooling arrangement, the performance of the Collection Fund being detailed at Section 4.

The Executive had considered the matter on 5 June 2017 (EX.44/17 referred) and resolved that the Executive noted the provisional outturn position at 31 March 2017 for Council Tax and NNDR and also the position with regard to write offs and bad debt trends, as detailed within Report RD.06/17.

RESOLVED – (1) That Report RD.06/17 be noted and received.

(2) That the appreciation of the Resources Overview and Scrutiny Panel be conveyed to the Financial Services Team for the work undertaken.

#### **ROSP.48/17      ELECTED MEMBERS' ALLOWANCES – PROVISIONAL OUTTURN FOR 2016/17**

The Chief Finance Officer presented report RD.02/17 setting out the amount of allowances paid to Members as part of the Elected Members' Allowances Scheme for 2016/17. She informed Members that £359,577 had been paid in allowances to individual Members which represented an underspend of £4,023.

The Executive had considered the matter on 5 June 2017 (EX.45/17 referred) and resolved that that Report RD.02/17 be received and the overall underspend of £4,023 on Elected Members' Allowances for 2016/17 be noted.

In response to questions, the Deputy Leader, and Finance, Governance and Resources Portfolio Holder clarified that there had been an overspend in respect of Travel and Subsistence largely due to a bill received from HM Revenue & Customs for tax and NI totalling £10,106 on Members' home to Civic Centre travel for the previous six years. The legislation in that matter had now changed and therefore that should be viewed as a one-off payment.

RESOLVED –That Report RD.02/17 be noted and received.

(The meeting ended at 12 noon)