

COUNCIL

SUMMONS

To the Mayor and Members of Carlisle City Council

You are summoned to attend the Meeting of Carlisle City Council which will be held on **Tuesday, 07 March 2017 at 18:45**, in the **Council Chamber, Civic Centre, Carlisle, CA3 8QG**



Corporate Director of Governance and Regulatory Services

AGENDA

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

3. **Minutes**

The Council will be asked to receive the Minutes of the meetings of the City Council held on 10 January and 7 February 2017.

4. **Public and Press**

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

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

5. Declarations of Interest

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

6. Announcements

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

7. Council Tax 2017/18

9 - 24

To consider a report of the Chief Finance Officer regarding the setting of Council Tax for 2017/18.
(Copy Report RD.58/16 herewith)

8. Questions by Members of the Public

Pursuant to Procedure Rule 10.1, the Corporate Director of Governance and Regulatory Services to report that no questions have been submitted on notice by members of the public.

9. Presentation of Petitions and Deputations

Pursuant to Procedure Rule 10.11, the Corporate Director of Governance and Regulatory Services to report that no petitions or deputations have been submitted by members of the public.

10. Questions from Members of the Council

Pursuant to Procedure Rule 11.2, the Corporate Director of Governance and Regulatory Services to report that no questions have been submitted on notice by Members of the City Council.

11. Executive

(a) Minutes

The Council will be requested to receive the Minutes of the meetings of the Executive held on 18 January and 13 February 2017 and ask questions of the Leader and Portfolio Holders on those Minutes.

(b) Portfolio Holder Reports

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

- | | |
|--|----------------|
| (i) <u>Leader's Portfolio</u> | 25 - 26 |
| (ii) <u>Finance, Governance and Resources</u> | 27 - 28 |
| (iii) <u>Environment and Transport</u> | 29 - 34 |
| (iv) <u>Economy, Enterprise and Housing</u> | 35 - 36 |
| (v) <u>Communities, Health and Wellbeing</u> | 37 - 38 |
| (vi) <u>Culture, Heritage and Leisure</u> | 39 - 42 |
- and ask questions of the Leader and Portfolio Holders on those Reports.
(Copy Reports herewith)

12. Overview and Scrutiny

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

- (i) **Community Overview and Scrutiny Panel** **43 - 44**
(a) Minutes of the meetings held on 12 January and 16 February 2017
(b) Chairman's Report
- (ii) **Resources Overview and Scrutiny Panel** **45 - 46**
(a) Minutes of the meeting held on 5 January 2017
(b) Chairman's Report
- (iii) **Economic Development Technical Support Review** **47 - 54**
Pursuant to Minute EX.13/17, to consider a recommendation from the Executive that Council approve the release of funds from reserves as set out in Report ED.04/17.
(Copy Report ED.11/17 and Minute Extract herewith)
13. **Regulatory Panel**
To receive the Minutes of the meetings of the Regulatory Panel held on 11 January and 15 February 2017.
14. **Licensing Committee**
To receive the Minutes of the meeting of the Licensing Committee held on 11 January 2017.
15. **Development Control Committee**
To receive the Minutes of the meetings of the Development Control Committee held on 4 and 6 January 2017.
16. **Audit Committee**
To receive the Minutes of the meeting of the Audit Committee held on 22 December 2016.
17. **Employment Panel**
To receive the Minutes of the meeting of the Employment Panel held on 1 February 2017.
18. **Appeals Panels**
To receive the Minutes of the meetings of the Appeals Panels held on 15 and 21 December 2016; and 5 January 2017.

19. Notice of Motion

Pursuant to Procedure Rule 12, the Corporate Director of Governance and Regulatory Services to report the receipt of the following motion submitted on notice by Councillor Nedved:

"This Council is concerned at the deterioration in the amount of litter and dog fouling incidences in the Urban and Rural Districts of Carlisle.

The Clean-Up Carlisle Campaign to keep our streets and green spaces tidy is not working.

1. The City Council should actively increase collaboration in cleaning up the City with residents and businesses through Community Litter Picks to make the environment attractive for its residents.

2. Encourage engagement in initiatives as the "Great British Spring Clean" in March organised by Keep Britain Tidy to encourage more involvement from communities, schools, clubs, businesses to get active and help clean up their neighbourhood.

3. To develop voluntary "Community Champions" in neighbourhoods to monitor and encourage Keep Carlisle Clean initiatives in their neighbourhoods.

4. Adopt a policy of zero tolerance to dog fouling, litter and fly tipping through education and enforcement."

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

(iii) Environment and Economy Overview and Scrutiny Panel 55 - 58

- (a) Minutes of the meeting held on 19 January 2017
- (b) Chairman's Report
- (Copy Reports herewith)

(i) Revenue Budget Overview and Monitoring Report - April to December 2016 59 - 80

Pursuant to Minute EX.17/17, to consider a recommendation from

the Executive that the City Council approve reprofiling of £97,000 from 2016/17 into 2017/18 as detailed in paragraph 4 of Report RD.54/16.

(Copy Report RD.54/16 and Minute Extracts herewith/to follow)

(ii) Capital Budget Overview and Monitoring Report - April to 81 - 100

December 2016

Pursuant to Minute EX.18/17, to consider a recommendation from the Executive that the City Council approve reprofiling of £1,164,300 from 2016/17 into 2017/18 as detailed in paragraph 3.3 and Appendix A to Report RD.55/16.

(Copy Report RD.55/16 and Minute Extracts herewith/to follow)

21. Pay Policy Statement 2017/18 101 - 114

Pursuant to Minute EMP.05/17, to consider a recommendation from the Employment Panel that the City Council approves the 2017/18 Policy Statement on Chief Officers' Pay.

(Copy Report RD.57/16 herewith)

22. Decisions Taken as a Matter of Urgency 115 - 118

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

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

(Copy Report GD.13/17 herewith)

23. Communications

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

PART 'B'
To be considered in private

- NIL -

Report to Council

Agenda
Item:

7

Meeting Date: 7th March 2017
Portfolio: Finance, Governance and Resources
Key Decision:
Within Policy and Budget Framework YES
Public / Private Public

Title: COUNCIL TAX 2017/18
Report of: CHIEF FINANCE OFFICER
Report Number: RD58/16

Summary & Recommendation:-

This report sets out the calculations to be made by the City Council in setting:

- a) To approve the updated funding schedules – **Appendix A**
- b) The level of basic Council Tax in 2017/18 in respect of City Council Services at £218.98 and the amount to be levied in non parished areas at £202.20;
- c) The level of Basic (City) Council Tax which will be charged in different parts of the City Council's area to reflect Special Items (Parish Precepts) – **Appendix B**;
- d) The Basic amount of (City) Council Tax applicable to each category of dwelling in each part of the City Council's area;
- e) The total amount of Council Tax to be levied in 2017/18, inclusive of Cumbria County Council and Police and Crime Commissioner for Cumbria Precept, applicable to each category of dwelling in each part of the City Council's area;
- f) Details how the Council Tax surplus was calculated - **Appendix C**
- g) To approve the formal Council Tax Resolution – **Appendix D**

Tracking

Council:	7 March 2017
----------	--------------

Note: in compliance with section 100d of the Local Government (Access to Information) Act 1985 the report has been prepared in part from the following papers: None

1. INTRODUCTION

- 1.1 This meeting marks the third and final stage in the financial and budgetary process introduced by the Local Government Finance Act 1992, and amended by the Localism Act 2011, and culminates in the setting of the Council Tax levels to be applied throughout the Carlisle District for 2017/18.
- 1.2 Stage 1 required the City Council to calculate its Tax Base – this was delegated to the Chief Finance Officer and calculated, for 2017/18, as at 15 January 2017.
- 1.3 Stage 2 required the City Council (as the billing authority) to calculate a council tax requirement for the year and this was undertaken at its meeting on 7 February 2017.
- 1.4 As discussed at the previous Council meeting in February, the final Local Government Finance Settlement had not been received, and therefore any changes in funding received from Central Government would be funded to/from appropriations from revenue reserves. These figures were confirmed on 20 February 2017, after the Council agreed the 2017/18 budget, with no significant changes required to the figures presented with the exception of a small rounding difference which amends the use of Council reserves in 2017/18 by £1,000, from £428,000 to £427,000; and Parish Precepts from £553,000 to £552,000. The revised funding schedules are detailed at **Appendix A** for approval.
- 1.5 The Parish Council Precepts for 2017/18 are detailed in **Appendix B** and total £582,553. The total amount chargeable to taxpayers will be £552,399, the difference of £30,154 being made up of the grant from Local Support for Council Tax Scheme.
- 1.6 Cumbria County Council is similarly required to calculate its Council Tax Requirement and this was determined at its meeting on 16 February 2017. The precept was set at £42,181,311. This results in a Band D Council Tax of £1,281.02 (1.99% increase from 2017/18 plus 2% Social Care Precept).
- 1.7 The Police and Crime Commissioner for Cumbria is also required to calculate its Council Tax requirement separately from the County Council and this was determined at its meeting on 22 February 2017. The precept was set at £7,269,495. This results in a Band D Council Tax of £220.77 (an increase of 1.91%).

- 1.8 Finally, the City Council as “Billing Authority” is required under Section 30, to set an overall amount of Council Tax, by reference to the aggregate of its own Tax and that set by the Cumbria County Council and the Police and Crime Commissioner for Cumbria.
- 1.9 It should be noted that the City Council has increased its share of Council Tax by £5 (2.54%) for 2017/18. The County Council has raised its share for 2017/18 by 1.99% and 2% for the Social Care Precept. The Police and Crime Commissioner has raised its Council Tax rates for 2017/18 by 1.91%.

2. RELEVANT CALCULATIONS

- 2.1 The legislation is framed in a way, which requires that the relevant calculations are made by the City Council.
- 2.2 Where the information required to support the calculations is complex or lengthy, it is contained in the appendices attached to this report.
- 2.3 The remainder of this report is in the form of a commentary on the relevant calculations, concluding with a recommendation as to the terms in which the City Council should make the appropriate resolution.

3. COUNCIL TAX BASE

The Council Tax Base is a measure of the City Council’s taxable resources and is expressed in terms of the equivalent number of 2 person Band D properties. This was calculated by the City Council to be 32,927.91 for the whole of the area. The amount calculated for each parish is set out in **Appendix B**.

4. COUNCIL TAX REQUIREMENT

The City Council’s Council Tax Requirement 2017/18 has been determined as £6,658,023.

5. GRANT INCOME

- 5.1 The City Council is required to calculate the aggregate of its estimated income specified grants for 2017/18. These have been notified as:-

	£
Retained Business Rates	3,114,615
Revenue Support Grant	885,655
Total	4,000,270

5.2 Under Council Tax regulations, transactions relating to any surplus or deficit arising from the previous year's Council Tax are to be aggregated and incorporated in the amount of Council Tax set by the billing authority. This is to be achieved by increasing the amount of grant income by the amount of any anticipated surplus on the Collection Fund at 31 March 2017. If a deficiency is anticipated, or the transactions to be accounted for in 2017/18 gave rise to a reduction in liability, then the aggregate of grant income is to be reduced.

5.2.1 **Appendix C** summarises the anticipated position on the collection of Council Tax. In accordance with the authority delegated to the Chief Finance Officer by the Council, the overall surplus on Council Tax for 2016/17 has been determined at £1,066,888. The County Council's share of this surplus has been certified and rounded as £791,089, the Police and Crime Commissioner for Cumbria's Share certified and rounded as £139,117, leaving a balance of £136,682 for the City Council. The Chief Finance Officer has determined the budget for 2017/18 will include the £136,682 surplus and a recurring surplus of £50,000 will be included in the MTFP. This is to allow the impact of the Local Support for Council Tax (Reduction) Scheme and technical changes to council tax to be spread over the life of the current MTFP and also to allow for potential housing growth. In the longer term, when the impact is understood better, the position will be reviewed.

5.3 On this basis, total estimated grant income should be calculated as £4,136,952.

6. CITY COUNCIL BASIC COUNCIL TAX

6.1 Basic Council Tax is the average tax for the whole area in respect of the City Council's Council Tax Requirement after first deducting estimated grant income. Its relevance is as a basis for comparison since it will not actually be levied in any part of the Council's area.

6.2 Basic Council Tax is calculated by subtracting grant income from Budget Requirement and dividing the result by the Tax Base:-

	£
Budget Requirement	12,047,374
Less BR Estimate Pooling/Growth (note 1)	700,000
Less Grant Income	4,136,952
Net Requirement from Collection Fund	7,210,422
Divided by Tax Base	32,927.91
Basic Tax	218.98

Note 1 – The assumed level of Business Rate income as a result of economic growth combined with joining the Cumbria Pool for Business Rate Retention.

- 6.3 Next, it is necessary to calculate the level of Tax which will be levied in different parts of the City Council's area, according to whether or not there are special items (parish precepts) to be charged in the area.
- 6.4 By setting aside the total value of special items from the amount required from the Collection Fund, and recalculating the result in the same way as calculating the Basic Tax in 6.2, the result is the amount of Tax which will be levied in the Urban Area and in any parish area for which no precept is required:

	£
Net Requirement from Collection Fund	7,210,422
Less Special Items	552,399
Net requirement excluding Special Items	6,658,023
Divided by Tax Base	32,927.91
Basic Amount of Tax for the Urban Area and Parishes Not Levying a Precept	202.20

- 6.5 A similar calculation is required to be made in respect of each parish area for which a special item is to be charged and these are set out in detail within **Appendix D (Council Tax Resolution)**.

7. COUNCIL TAX APPLICABLE TO EACH PROPERTY BAND

- 7.1 Having calculated the “headline” Tax for each part of the area, it is now necessary to set the level of Tax for each of the eight property bands in each part of the area.
- 7.2 This is done by setting the Tax in proportion to that set for Band D, in the proportions set out in the legislation:-

Valuation Bands								
	A	B	C	D	E	F	G	H
Proportion to 9	6	7	8	9	11	13	15	18

- 7.2.1 The results of carrying out the above calculations are set out in **Appendix D (Council Tax Resolution)**.

8. CUMBRIA COUNTY COUNCIL PRECEPT

The County Council has issued a precept upon the City Council in the sum of £42,181,311 and set its basic Council Tax as £1,281.02 to be charged against each category of dwelling as follows:-

Valuation Band / Basic Amount of Tax

A	B	C	D	E	F	G	H
£854.01	£996.35	£1,138.68	£1,281.02	£1,565.69	£1,850.36	£2,135.03	£2,562.04

9. POLICE AND CRIME COMMISSIONER FOR CUMBRIA PRECEPT

The Police and Crime Commissioner for Cumbria has issued a precept upon the City Council in the sum of £7,269,495 and set its basic Council Tax as £220.77 to be charged against each category of dwelling as follows:-

Valuation Band / Basic Amount of Tax

A	B	C	D	E	F	G	H
£147.18	£171.71	£196.24	£220.77	£269.83	£318.89	£367.95	£441.54

10. TOTAL AMOUNT OF COUNCIL TAX 2017/18

- 10.1 The amount of Council Tax to be levied in 2017/18 in respect of each category of dwelling in each part of the City Council's area is arrived at by adding together the amounts calculated at paragraph 6.5 to the amount set by Cumbria County Council as notified and set out in paragraph 8 and the amount set by the Police and Crime Commissioner for Cumbria and set out in Paragraph 9. i.e.

Band D Council Tax Levels			
	£	% Increase	% of Council Tax
City	202.20	2.54	11.8%
County*	1,281.02	3.99	75.2%
Police	220.77	1.91	13.0%
Total	1,703.99		100.0%

*Includes 2% Adult Social Care Precept

- 10.2 The amounts are set out in **Appendix D (Council Tax Resolution)**.

11. CONSULTATION

- 11.1 Consultation to Date.
Not applicable.

11.2 Consultation proposed.
Not applicable.

12. CONTRIBUTION TO THE CARLISLE PLAN PRIORITIES

12.1 To ensure that a balanced budget is set.

Contact Officer: Steven Tickner

Ext: 7280

**Appendices
attached to report:**

Appendix A To approve the City Council's revised funding schedules

Appendix B The level of Basic (City) Council Tax which will be charged in different parts of the City Council's area to reflect Special Items (Parish Precepts)

Appendix C Details how the Council Tax surplus was calculated

Appendix D To approve the formal Council Tax Resolution

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

- **None**

CORPORATE IMPLICATIONS/RISKS:

Community Services– Not applicable

Economic Development – Not applicable

Governance & Regulatory Services–The Council must have a balanced budget to deliver its services and also achieve and sustain an appropriate level of reserves. The setting of the overall Council Tax for the Carlisle District is the final stage of the budget process and it is the responsibility of full Council to approve the aggregate charge by the statutory date of 11th March each year, in accordance with Section 30 of the Local Government and Finance Act 1992 (as amended).

Corporate Support & Resources – included within the main body of the report

Revised Funding Schedules

Schedule 5 – Summary Net Budget Requirement for Council Tax Purposes

2016/17 Revised £000	Summary Net Budget Requirement	2017/18 Budget £000	2018/19 Proj £000	2019/20 Proj £000	2020/21 Proj £000	2021/22 Proj £000
	Recurring Revenue Expenditure					
	Existing Expenditure (Schedule 1)	11,665	10,925	11,351	11,421	11,788
	Budget Reductions (Schedule 2)	(900)	(890)	(934)	(931)	(926)
	New Spending Pressures (Schedule 3)	851	1,182	1,504	1,210	1,108
12,919	Total Recurring Expenditure	11,616	11,217	11,921	11,700	11,970
	Non Recurring Revenue Expenditure					
463	Existing Commitments (Schedule 1)	(987)	(333)	(666)	391	391
528	Budget Reductions (Schedule 2)	56	10	0	0	0
(830)	Spending Pressures (Schedule 4)	2	(201)	(225)	(1,041)	(515)
539	Carry Forward	351	201	201	65	0
13,619	Total Revenue Expenditure	11,038	10,894	11,231	11,115	11,846
	Less Contributions (from)/to Reserves:					
(1,241)	Recurring Commitments (Note 1) Sub Total	(151)	75	(616)	(127)	(108)
	Non Recurring Commitments					
(172)	- Existing Commitments (Note 2)	931	323	666	(391)	(391)
(528)	- New Commitments	(353)	0	24	976	515
(700)	Sub Total	578	323	690	585	124
11,678	Total City Council Budget requirement	11,465	11,292	11,305	11,573	11,862
557	Parish Precepts	582	544	558	572	586
12,235	Projected Net Budget Requirement for Council Tax purposes	12,047	11,836	11,863	12,145	12,448

Schedule 6 – Total Funding and Provisional Council Tax Projections

2016/17	Total Funding and Council Tax Impact	2017/18	2018/19	2019/20	2020/21	2021/22
32,138.68 £000	Estimated TaxBase	32,927.91 £000	33,019.78 £000	33,111.90 £000	33,204.29 £000	33,926.93 £000
	Projected Net Budget Requirement for Council Tax Purposes (Schedule 5)					
11,678	- City	11,465	11,292	11,305	11,573	11,862
557	- Parishes	582	544	558	572	586
12,235	Total	12,047	11,836	11,863	12,145	12,448
	Funded by:					
(6,338)	- Council Tax Income	(6,658)	(6,842)	(7,026)	(7,212)	(7,399)
(1,535)	- Revenue Support Grant	(856)	(435)	0	0	0
(3,052)	- Retained Business Rates	(3,114)	(3,215)	(3,329)	(3,411)	(3,513)
	- Business Rate					
(660)	Growth/Pooling	(700)	(750)	(900)	(900)	(900)
(93)	- Estimated Council Tax Surplus	(137)	(50)	(50)	(50)	(50)
(54)	- Parish CTRS Grant	(30)	(14)	0	0	0
(503)	- Parish Precepts	(552)	(530)	(558)	(572)	(586)
(12,235)	TOTAL	(12,047)	(11,836)	(11,863)	(12,145)	(12,448)
£ 197.20	City Council Tax Band D Council Tax	£ 202.20	£ 207.20	£ 212.20	£ 217.20	£ 222.20
	Increase over Previous year:					
£3.77	£	£ 5.00	£ 5.00	£ 5.00	£ 5.00	£ 5.00
1.95%	%	2.54%	2.47%	2.41%	2.36%	2.30%

Schedule 10 – Usable Reserve Projections

Analysis of Council Reserves	Outturn 31 March 2016 £000	Projected 31 March 2017 £000	Projected 31 March 2018 £000	Projected 31 March 2019 £000	Projected 31 March 2020 £000	Projected 31 March 2021 £000	Projected 31 March 2022 £000
Revenue Reserves							
General Fund Reserve	(2,000)	(1,570)	(1,997)	(2,000)	(2,000)	(2,000)	(2,000)
Projects Reserve	(1,511)	0	0	(395)	(469)	(927)	(943)
	(3,511)	(1,570)	(1,997)	(2,395)	(2,469)	(2,927)	(2,943)
Carry Forward Reserve	(1,078)	(991)	(991)	(991)	(991)	(991)	(991)
Flood Reserve	(500)	0	0	0	0	0	0
Conservation Reserve	(117)	0	0	0	0	0	0
Transformation Reserve	(348)	0	0	0	0	0	0
EEAC Reserve	(43)	0	0				
Building Control Reserve	(137)	(137)	(137)	(137)	(137)	(137)	(137)
Cremator Reserve	(479)	(521)	(521)	(521)	(521)	(521)	(521)
Leisure Reserve	(118)	(101)	0	0	0	0	0
Economic Investment Reserve	(108)	(95)	0	0	0	0	0
Car Parking Reserve	(113)	(113)	0	0	0	0	0
City Centre Reserve	(42)	(42)	(42)	(42)	(42)	(42)	(42)
Welfare Reform Reserve	(200)	(200)	(200)	(200)	(200)	(200)	(200)
Repairs & Renewals Reserve	(502)	0	0	0	0	0	0
Business Rates Volatility Reserve	(110)	(110)	(110)	(110)	(110)	(110)	(110)
Total Revenue Reserves	(7,406)	(3,880)	(3,998)	(4,396)	(4,470)	(4,928)	(4,944)
Capital Reserves							
Usable Capital Receipts	0	0	0	0	0	0	0
Asset Disposal Reserve	0	0	0	0	0	0	0
Unapplied capital grant	(191)	(118)	(118)	(118)	(118)	(118)	(118)
Asset Investment Reserve	(48)	(48)	(48)	(48)	(48)	(48)	(48)
CLL Reserve	(522)	(522)	(522)	(522)	(522)	(522)	(522)
Lanes Capital Reserve	(15)	(30)	(45)	(60)	(75)	(90)	(105)
Total Capital Reserves	(776)	(718)	(733)	(748)	(763)	(778)	(793)
Total Usable Reserves	(8,182)	(4,598)	(4,731)	(5,144)	(5,233)	(5,706)	(5,737)
Other Technical Reserves	(103,725)						
Collection Fund (Carlisle Share only)	227						
Total All Reserves	(111,680)						

SPECIAL AMOUNTS DUE TO PARISH COUNCILS

PARISH/AREA	SPECIAL ITEMS (Parish Precepts) £	COUNCIL TAX SUPPORT GRANT £	TOTAL INCOME £	TAX BASE	BASIC AMOUNT OF COUNCIL TAX £
Arthuret	44,642	6,615.38	51,257	695.18	64.22
Askerton	0	0.00	0	55.22	0.00
Beaumont	7,114	130.50	7,245	192.28	37.00
Bewcastle	4,133	367.50	4,500	140.18	29.48
Brampton	104,581	10,597.60	115,179	1,513.11	69.12
Burgh By Sands	15,276	299.19	15,575	484.50	31.53
Burtholme	2,296	103.51	2,400	87.57	26.22
Carlatton & Cumrew	1,596	3.53	1,600	57.77	27.63
Castle Carrock	4,999	90.91	5,090	140.34	35.62
Cummersdale	11,118	321.74	11,440	428.64	25.94
Cumwhitton	4,210	90.16	4,300	133.74	31.48
Dalston	60,800	1,899.60	62,700	1,130.70	53.77
Denton Nether	5,617	382.86	6,000	100.79	55.73
Denton Upper	1,183	33.27	1,216	34.54	34.24
Farlam	3,712	153.33	3,865	215.98	17.19
Hayton	15,867	633.13	16,500	827.24	19.18
Hethersgill	6,501	499.20	7,000	125.93	51.62
Irthington	5,909	173.86	6,083	320.74	18.42
Kingmoor	8,519	243.94	8,763	377.26	22.58
Kingwater	970	30.88	1,001	61.30	15.83
Kirkandrews	6,924	418.25	7,342	151.07	45.83
Kirklington	2,107	43.30	2,150	140.99	14.94
Midgeholme	0	0.00	0	22.42	0.00
Nicholforest	5,689	310.98	6,000	136.34	41.73
Orton	6,245	255.48	6,500	171.15	36.49
Rockcliffe	4,596	204.20	4,800	295.95	15.53
Scaleby	4,943	56.73	5,000	135.39	36.51
Solport & Stapleton	2,741	59.46	2,800	145.04	18.90
Stanwix Rural	39,484	1,056.36	40,540	1,260.18	31.33
St Cuthbert Without	23,774	725.57	24,500	1,562.21	15.22
Walton	5,276	224.00	5,500	104.30	50.58
Waterhead	1,188	19.42	1,207	51.21	23.19
Westlinton	1,938	62.02	2,000	134.32	14.43
Wetheral	138,452	4,048.16	142,500	2,390.50	57.92
Total	552,399	30,154	582,553		

APPENDIX C

2016/17 Council Tax Surplus to be distributed in 2017/18

	£	£
Income into Fund 2016/17		
Council Tax Payments (inc MOD)	51,848,207	
Plus Arrears to be Collected 2017/18 Onwards	2,023,207	
Net Transfers from Council Fund		
Rebates Including Second Adult		
Total Estimated Income 2016/17	53,871,414	
Expenditure from Fund 2017/18		
Police Authority Precept	6,962,202	13.0%
County Precept	39,590,676	74.1%
City Including Parish Precepts	6,840,386	12.8%
	53,393,264	
Estimated (Deficit)/Surplus on Fund as at 15/01/17	478,150	
1. <u>Surplus to be Returned 2017/18</u>		
(Surplus) on Collection Fund 31/03/16	(1,242,496)	
Deficit/(Surplus) 1993-2015	(64,488)	
Deficit/(Surplus) 2016/17 (See Above)	(478,150)	
Less (Deficit) / Surplus Distributed to 2015/16	718,248	
Deficit / (Surplus) to be Returned 2017/18	(1,066,888)	
Police Authority Share	(139,116.57)	
County Council Share	(791,088.68)	
City Council Share	(136,682.48)	
	(1,066,887.74)	

Note 1 – The Chief Finance Officer has determined a recurring surplus of £50,000 from 2018/19 onwards for the City Council in its MTFP to allow the impact of the LSCT Scheme and other technical changes to be spread over the life of the MTFP. This will be reviewed once the impact is known.

1. That it be noted that at its meeting on 7 March 2017 the City Council calculated the Council Tax Base 17/18:-
 - a) For the whole Council area as 32,927.91 (Item T in the formula in Section 31B(3) of the Local Government Finance Act 1992, as amended (The "Act"), and;.
 - b) For dwellings in those parts of its area to which a Parish Precept relates as below:

Parish of:	
Arthuret	695.18
Askerton	55.22
Beaumont	192.28
Bewcastle	140.18
Brampton	1,513.11
Burgh By Sands	484.50
Burtholme	87.57
Carlton & Cumrew	57.77
Castle Carrock	140.34
Cummersdale	428.64
Cumwhitton	133.74
Dalston	1,130.70
Denton Nether	100.79
Denton Upper	34.54
Farlam	215.98
Hayton	827.24
Hethersgill	125.93
Irthington	320.74
Kingmoor	377.26
Kingwater	61.30
Kirkandrews	151.07
Kirklington	140.99
Midgeholme	22.42
Nicholforest	136.34
Orton	171.15
Rockcliffe	295.95
Scaleby	135.39
Solport & Stapleton	145.04
Stanwix Rural	1,260.18
St Cuthbert Without	1,562.21
Walton	104.30
Waterhead	51.21
Westlinton	134.32
Wetheral	2,390.50
& for the urban area of CARLISLE	19,103.83
Total	32,927.91

2. Calculate that the Council Tax requirement for the Council's own purposes for 2017/18 (excluding Parish Precepts) is £6,658,023

3. That the following amounts be now calculated by the City Council for the year 2017/18 in accordance with Sections 31 to 36 of the Local Government Finance Act 1992 (as amended):-
 - (a) 12,047,374 Being the aggregate of the amounts which the Council estimates for the items set out in Section 31A(2) of the Act taking into account all precepts issued to it by Parish Councils
 - (b) £4,000,270 Being the aggregate of the amounts which the Council estimates for the items set out in Section 31A(3) of the Act
 - (c) £7,210,422 Being the amount by which the aggregate at 3(a) above exceeds the aggregate at 3(b) above, calculated by the Council in accordance with Section 31A(4) of the Act as its Council Tax Requirement for the year. (Item R) in the formula in Section 31A(4) of the Act).
 - (d) £218.98 Being the amount at 3(c) above (Item R), all divided by Item T (1 above) calculated by the Council, in accordance with Section 31B(1) of the Act, as the basic amount of its Council Tax for the year (including Parish Precepts).
 - (e) £552,399 Being the aggregate amount of all special items (Parish Precepts) referred to in Section 34(1) of the Act.
 - (f) £202.20 Being the amount at 3(d) above, less the result given by dividing the amount at 3(e) above by Item T (2 above), calculated by the Council, in accordance with Section 34(2) of the Act, as the basic amount of its Council Tax for the year for dwellings in those parts of its area to which no Parish Precept relates.
4. To note that the County Council and the Police and Crime Commissioner for Cumbria have issued precepts to the Council in accordance with Section 40 of the Local Government Finance Act 1992 for each category of dwellings in the Council's area as indicated in the table below.
5. That the Council, in accordance with Sections 30 and 36 of the Local Government Finance Act 1992, hereby sets the aggregate amounts shown in the tables below as the amounts of Council Tax for 2017/18 for each part of its area and for each of the categories of dwellings.

BASIC AMOUNT OF COUNCIL TAX FOR CITY COUNCIL SERVICES								
APPLICABLE TO EACH CATEGORY OF DWELLING IN EACH PART OF								
PART OF THE COUNCIL'S AREA	VALUATION BANDS							
	BAND A	BAND B	BAND C	BAND D	BAND E	BAND F	BAND G	BAND H
Parish of:	£	£	£	£	£	£	£	£
ARTHURET	177.61	207.22	236.81	266.42	325.62	384.83	444.03	532.84
ASKERTON	134.80	157.27	179.73	202.20	247.13	292.07	337.00	404.40
BEAUMONT	159.47	186.05	212.62	239.20	292.35	345.51	398.67	478.40
BEWCASTLE	154.45	180.20	205.93	231.68	283.16	334.65	386.13	463.36
BRAMPTON	180.88	211.03	241.17	271.32	331.61	391.91	452.20	542.64
BURGH BY SANDS	155.82	181.79	207.76	233.73	285.67	337.61	389.55	467.46
BURTHOLME	152.28	177.66	203.04	228.42	279.18	329.94	380.70	456.84
CARLATTON & CUMREW	153.22	178.76	204.29	229.83	280.90	331.98	383.05	459.66
CASTLE CARROCK	158.55	184.97	211.39	237.82	290.67	343.52	396.37	475.64
CUMMERSDALE	152.09	177.45	202.79	228.14	278.83	329.54	380.23	456.28
CUMWHITTON	155.79	181.75	207.71	233.68	285.61	337.54	389.47	467.36
DALSTON	170.65	199.09	227.53	255.97	312.85	369.74	426.62	511.94
DENTON NETHER	171.95	200.62	229.27	257.93	315.24	372.57	429.88	515.86
DENTON UPPER	157.63	183.90	210.17	236.44	288.98	341.53	394.07	472.88
FARLAM	146.26	170.64	195.01	219.39	268.14	316.90	365.65	438.78
HAYTON	147.59	172.19	196.78	221.38	270.57	319.77	368.97	442.76
HETHERSGILL	169.21	197.42	225.61	253.82	310.22	366.63	423.03	507.64
IRTHINGTON	147.08	171.60	196.10	220.62	269.64	318.68	367.70	441.24
KINGMOOR	149.85	174.83	199.80	224.78	274.73	324.69	374.63	449.56
KINGWATER	145.35	169.58	193.80	218.03	266.48	314.94	363.38	436.06
KIRKANDREWS	165.35	192.92	220.47	248.03	303.14	358.27	413.38	496.06
KIRKLINTON	144.76	168.89	193.01	217.14	265.39	313.65	361.90	434.28
MIDGEHOLME	134.80	157.27	179.73	202.20	247.13	292.07	337.00	404.40
NICHOLFOREST	162.62	189.73	216.82	243.93	298.13	352.35	406.55	487.86
ORTON	159.13	185.65	212.17	238.69	291.73	344.78	397.82	477.38
ROCKCLIFFE	145.15	169.35	193.53	217.73	266.11	314.50	362.88	435.46
SCALEBY	159.14	185.67	212.18	238.71	291.75	344.81	397.85	477.42
SOLPORT & STAPLETON	147.40	171.97	196.53	221.10	270.23	319.37	368.50	442.20
STANWIX RURAL	155.69	181.64	207.58	233.53	285.42	337.32	389.22	467.06
ST CUTHBERT WITHOUT	144.95	169.11	193.26	217.42	265.73	314.05	362.37	434.84
WALTON	168.52	196.61	224.69	252.78	308.95	365.13	421.30	505.56
WATERHEAD	150.26	175.31	200.34	225.39	275.47	325.57	375.65	450.78
WESTLINTON	144.42	168.49	192.56	216.63	264.77	312.91	361.05	433.26
WETHERAL	173.41	202.32	231.21	260.12	317.92	375.73	433.53	520.24
All other parts of the	134.80	157.27	179.73	202.20	247.13	292.07	337.00	404.40
City Council's area								

Precepting Authority	VALUATION BANDS							
	Band A	Band B	Band C	Band D	Band E	Band F	Band G	Band H
	£	£	£	£	£	£	£	£
Cumbria County Council	854.01	996.35	1,138.68	1,281.02	1,565.69	1,850.36	2,135.03	2,562.04
Police & Crime Commissioner for Cumbria	147.18	171.71	196.24	220.77	269.83	318.89	367.95	441.54

Aggregate of Council Tax requirements

AMOUNT OF COUNCIL TAX TO BE LEVIED IN 2017/18 IN RESPECT OF EACH CATEGORY OF DWELLING IN EACH PART OF								
PART OF THE COUNCIL'S AREA	VALUATION BANDS		BAND C	BAND D	BAND E	BAND F	BAND G	BAND H
	BAND A	BAND B						
Parish of:	£	£	£	£	£	£	£	£
ARTHURET	1,178.80	1,375.28	1,571.73	1,768.21	2,161.14	2,554.08	2,947.01	3,536.42
ASKERTON	1,135.99	1,325.33	1,514.65	1,703.99	2,082.65	2,461.32	2,839.98	3,407.98
BEAUMONT	1,160.66	1,354.11	1,547.54	1,740.99	2,127.87	2,514.76	2,901.65	3,481.98
BEWCASTLE	1,155.64	1,348.26	1,540.85	1,733.47	2,118.68	2,503.90	2,889.11	3,466.94
BRAMPTON	1,182.07	1,379.09	1,576.09	1,773.11	2,167.13	2,561.16	2,955.18	3,546.22
BURGH BY SANDS	1,157.01	1,349.85	1,542.68	1,735.52	2,121.19	2,506.86	2,892.53	3,471.04
BURTHOLME	1,153.47	1,345.72	1,537.96	1,730.21	2,114.70	2,499.19	2,883.68	3,460.42
CARLATTON & CUMREW	1,154.41	1,346.82	1,539.21	1,731.62	2,116.42	2,501.23	2,886.03	3,463.24
CASTLE CARROCK	1,159.74	1,353.03	1,546.31	1,739.61	2,126.19	2,512.77	2,899.35	3,479.22
CUMMERSDALE	1,153.28	1,345.51	1,537.71	1,729.93	2,114.35	2,498.79	2,883.21	3,459.86
CUMWHITTON	1,156.98	1,349.81	1,542.63	1,735.47	2,121.13	2,506.79	2,892.45	3,470.94
DALSTON	1,171.84	1,367.15	1,562.45	1,757.76	2,148.37	2,538.99	2,929.60	3,515.52
DENTON NETHER	1,173.14	1,368.68	1,564.19	1,759.72	2,150.76	2,541.82	2,932.86	3,519.44
DENTON UPPER	1,158.82	1,351.96	1,545.09	1,738.23	2,124.50	2,510.78	2,897.05	3,476.46
FARLAM	1,147.45	1,338.70	1,529.93	1,721.18	2,103.66	2,486.15	2,868.63	3,442.36
HAYTON	1,148.78	1,340.25	1,531.70	1,723.17	2,106.09	2,489.02	2,871.95	3,446.34
HETHERSGILL	1,170.40	1,365.48	1,560.53	1,755.61	2,145.74	2,535.88	2,926.01	3,511.22
IRTHINGTON	1,148.27	1,339.66	1,531.02	1,722.41	2,105.16	2,487.93	2,870.68	3,444.82
KINGMOOR	1,151.04	1,342.89	1,534.72	1,726.57	2,110.25	2,493.94	2,877.61	3,453.14
KINGWATER	1,146.54	1,337.64	1,528.72	1,719.82	2,102.00	2,484.19	2,866.36	3,439.64
KIRKANDREWS	1,166.54	1,360.98	1,555.39	1,749.82	2,138.66	2,527.52	2,916.36	3,499.64
KIRKLINTON	1,145.95	1,336.95	1,527.93	1,718.93	2,100.91	2,482.90	2,864.88	3,437.86
MIDGEHOLME	1,135.99	1,325.33	1,514.65	1,703.99	2,082.65	2,461.32	2,839.98	3,407.98
NICHOLFOREST	1,163.81	1,357.79	1,551.74	1,745.72	2,133.65	2,521.60	2,909.53	3,491.44
ORTON	1,160.32	1,353.71	1,547.09	1,740.48	2,127.25	2,514.03	2,900.80	3,480.96
ROCKCLIFFE	1,146.34	1,337.41	1,528.45	1,719.52	2,101.63	2,483.75	2,865.86	3,439.04
SCALEBY	1,160.33	1,353.73	1,547.10	1,740.50	2,127.27	2,514.06	2,900.83	3,481.00
SOLPORT & STAPLETON	1,148.59	1,340.03	1,531.45	1,722.89	2,105.75	2,488.62	2,871.48	3,445.78
STANWIX RURAL	1,156.88	1,349.70	1,542.50	1,735.32	2,120.94	2,506.57	2,892.20	3,470.64
ST CUTHBERT WITHOUT	1,146.14	1,337.17	1,528.18	1,719.21	2,101.25	2,483.30	2,865.35	3,438.42
WALTON	1,169.71	1,364.67	1,559.61	1,754.57	2,144.47	2,534.38	2,924.28	3,509.14
WATERHEAD	1,151.45	1,343.37	1,535.26	1,727.18	2,110.99	2,494.82	2,878.63	3,454.36
WESTLINTON	1,145.61	1,336.55	1,527.48	1,718.42	2,100.29	2,482.16	2,864.03	3,436.84
WETHERAL	1,174.60	1,370.38	1,566.13	1,761.91	2,153.44	2,544.98	2,936.51	3,523.82
All other parts of the City Council's area	1,135.99	1,325.33	1,514.65	1,703.99	2,082.65	2,461.32	2,839.98	3,407.98

Meeting Date: 7 March 2017

Public/Private*: Public

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

NORTHERN POWERHOUSE CONFERENCE & EXHIBITION

Carlisle was represented at the Northern Powerhouse annual conference this year, which took place on the 21st & 22nd February. The new display stand provided the backdrop, and a Carlisle prospectus was produced showcasing the genuine growth opportunities available in Carlisle District. This complemented earlier Carlisle Story work, and therefore provided a good round up of what we have to offer.

The conference was targeted at a wide range of professionals including public and private sector leaders and investors, with an audience of approximately 3,000 people in attendance across both days.

McVitie's also kindly provided some Custard Creams which helped to engage people in discussions about what opportunities exist in the District.

CONFUCIUS INSTITUTE COLLABORATION

We are in the early stages of an exciting collaboration between Carlisle City Council, Tullie House and the Confucius Institute based at Lancaster University. The Institute aims to develop cultural relationships with communities and to support enterprise and innovation throughout the North West. In January we welcomed performing arts students from the Harbin Normal University in Heilongjiang province, who performed at Tullie House and the Old Fire Station. The second event 'East Meets West' is an exhibition of paintings by the Chinese Diplomat and talented artist Mr Wang Ying, using traditional Chinese painting techniques to bring a new perspective to UK landscapes. The exhibition continues at Tullie House until 21st May. We hope to bring further events in the future.

ROUND-UP OF EVENTS

We have an exciting and varied programme of events lined up for 2017, designed to be enjoyed by local residents and to increase the number of visitors to our city. In addition to our traditional headline events, we have big name music concerts, another programme of open air theatre at Talkin Tarn and spectacular Hadrian's Cavalry events to mark the 1,900th anniversary of Hadrian becoming the 14th Emperor of the Roman Empire.

18 March – Carlisle Comic Con, Richard Rose Central Academy

The event is brought to us by Wonky Rocket Promotions; but it is Carlisle's first international Comic Con (a comic book convention). There will be guests from TV and film, Artists from Marvel, DC, Dark horse and more. There will be over 50 stalls selling everything from cakes to collectables. 'Kit' from Nightrider has confirmed as too has Dave Prowse – 'Darth Vader', it will be a busy and popular event with teenagers and young adults.

Thursday 13 - Monday 17 April Easter International Market, Carlisle city centre

Market Place Europe will bring the International Market to Carlisle where there will be over 35 traders bringing the very best in tasty foods and unique craft from across the globe.

Between Thursday 13 April and Easter Bank Holiday Monday 17 April 2017, Carlisle's city centre pedestrianised area will be bursting with flavour and a fantastic family friendly atmosphere, offering visitors the opportunity to visit a number of countries and try something different.

Market Place Europe are the UK's leading operator of Continental and Special event markets. Their markets are renowned throughout the UK and Ireland, not only for their high quality but also for the variety of products.

EVENTS LIST FOR 2017:

Saturday 13 May	Health Mela, Carlisle city centre
Monday 29 May	Upperby Gala, Hammond's Pond
Friday 2 June	UB40 and Level 42, Brunton Park (CUFC)
Saturday 3 June	Olly Murs, Brunton Park (CUFC)
Saturday 10 June	Cumberland Show, East Park, Brisco
Saturday 24 June	Armed Forces Day, Carlisle city centre
Thursday 29 June	The Secret Garden open-air theatre, Talkin Tarn
Saturday 1 - Sunday 2 July	Hadrian's Cavalry Live in Carlisle, Bitts Park
Saturday 8 July	Unity Festival, Carlisle city centre
Saturday 8 July	Jess Glynne, Carlisle Racecourse
Saturday 15 July	Bryan Adams, Bitts Park
Sunday 16 July	Little Mix, Bitts Park
Thursday 10 August	A Midsummer Night's Dream open-air theatre, Talkin Tarn
Saturday 19 - 28 August	Carlisle Pageant, Carlisle city centre
Saturday 4 November	Fireshow, Bitts Park
Sunday 12 November	Remembrance Sunday, Carlisle city centre
Sunday 19 November	Christmas Lights Switch-On, Carlisle city centre

Report to:
Council

Agenda
Item

11(b)(ii)

Meeting Date: 7 March 2017

Public/Private*: Public

Title: **Finance, Governance and Resources Portfolio Holder's Report –
Councillor Dr Les Tickner**

FINANCIAL SERVICES

Strategic Planning

The Council, at its meeting on 7th February, approved the revenue and capital budgets for 2017/18, including a £5 per annum increase for a Band D property for 2017/18 for the city and surrounding areas. Tonight's Council, which is the final element of the 2017/18 budget process, will formally approve the overall council tax for the Carlisle area.

2016/17 Final Accounts Process

Work is commencing on providing the timetables and instructions to budget holders to support the year end process and training sessions are also planned to enable the Statement of Accounts to be prepared and approved by the Chief Finance Officer by the statutory deadline of 30 June.

PROPERTY SERVICES

Flood recovery work remains the priority for the Building Services and Property teams. Works are complete to the Old Fire Station and Warwick Street houses. Reinstatement works have commenced at Botcherby Community Centre, John Street hostel, the Resource Centre, and Stoneyholme. Preparatory work continues on the recovery of the remaining assets. Disruption and delay with "day to day" service is likely to continue for several more months.

The gross receipts from the Disposal Programme now stand at £10.38 million, and the number of assets released totals 38; this includes 99 leases, licences and tenancies. The disposals have generated £1.76m over the initial estimate.

DIGITAL AND INFORMATION SERVICES

Before the end of February, all community centres will have access to the council's private Wi-Fi service. This will mean that officers and members will be able to access council IT resources, such as CMIS and the Intranet, from any community centre in the same way they can within the Civic Centre.

The next phase of the project is to provide a public Wi-Fi service in each community centre. This will use the same IT infrastructure as the council's private service, thus saving any additional expenditure. The service will be provided by our strategic network partner, British Telecom.

During February major improvements will be made to the local area network (LAN) within the Civic Centre. These improvements will ensure that the council's network is capable of supporting the increased demand for network bandwidth from our business applications. This will ensure that frontline services do not experience slow or unresponsive applications when dealing with the public, for example in customer services.

ORGANISATIONAL DEVELOPMENT

Workshops regarding 'agile' working have taken place with managers and general feedback has been positive. It is clear that a number of service areas are considering different ways of working to improve wellbeing, diversity and service delivery. A number of examples of agile working were discussed giving managers more opportunity when considering team and service requirements.

Recruitment is underway for more apprentices, the Council currently employs four. The apprenticeship support programme had the first meeting last month and all participants welcomed the additional support and opportunity to get to know other apprentices within the Council. Support meetings will take place on a regular basis and the group will discuss charity events to aid the Mayors charity.

A number of leaflet stands have been purchased and put up at various locations including the Civic Centre, Boustead's, Cemetery and the Greenspaces Bothy will have one soon. Leaflets are available for employees on a range of subjects regarding health, wellbeing and other support. A number of leaflets have been taken to date.

ELECTORAL SERVICES

Postal Vote Refresh has been completed and just over 1000 postal voters have renewed their postal vote arrangements. Preparations are being made for the County Council elections which will take place on 4th May 2017.

Meeting Date: 7 March 2017

Public/Private*: Public

Title: **Environment & Transport Portfolio Holder's Report –
Councillor Chris Southward**

NEIGHBOURHOOD SERVICES

Green Box - The TUPE transfer of the green box contract began in January 2017. This has included meetings with our staff, FCC staff and trade unions, and arranging training and occupational health assessments ready for the start date of 1st March 2017. The new split back recycling vehicles, which will be used to collect the green box materials (paper, glass and cans), were delivered ready to start the collections.

The green box service will be merged with the green bag service in the summer and all materials will be collected in a single pass so that the kerbside recycling service can be rolled out to more rural and new build properties.

A review is taking place to reduce the number of properties with more than one refuse bin. This should reduce the amount of refuse people are placing out and improve recycling rates

Waiting times for delivery of containers has reduced to within 2 weeks which has seen a reduction in the number of people chasing delivery of their container.

Almost 60% of boxes, bags, gull sacks are now collected from the Civic Centre rather than being delivered. All refuse and garden waste bins require delivery.

Due to the Food Waste Digester leaflet in the November Carlisle Focus Magazine, a total of 114 Food Waste Digesters were sold in December

ENVIRONMENTAL HEALTH

Air Quality The air quality analyser at Stanwix is proposed to be removed and replaced by a much cheaper to operate diffusion tube (see attached photo of tubes). This will allow us to continue to monitor Nitrogen Dioxide (NO₂) levels on Stanwix Bank. We no longer need the high accuracy monitor as the NO₂ results have been steadily dropping for around 5 years and the equipment is getting old and costly.

The tubes are small plastic tubes with a stopper at one end and a metal gauze/mesh inside. The mesh catches the NO₂ in the air, after 1 month exposed to the air we send them to the lab for analysis and replace each tube with a fresh one. There are currently 50 locations around the district where we do this. The results of some of these locations have consistently shown very low levels which hardly change from one year to the next. We have therefore decided that we no longer need to keep testing these locations. This will have a cost, but more importantly, an officer time saving.



We have only chosen to remove tubes from areas where any significant change is very unlikely. We have kept others in areas where new development is expected or the current levels are relatively high. If any of the remaining tubes showed a future increase we would direct more monitoring into the area to investigate this. If there was significant change in traffic volumes or new industrial activity in an area we could start monitoring in that area in future.

Prosecution - In January the City Council successfully prosecuted Pioneer due to a number of serious food hygiene breaches. Whilst a lot of attention has been rightly focussed on the legal offences and the large fine of £275,000 imposed by the Courts,

the significance of the proactive public health action taken by the City Council should not be overlooked.

A routine visit to Pioneer by Environmental Health Officers in September 2015 identified a significant issue with the food sampling programme relating to the acceptable levels of *Listeria monocytogenes* in samples of cooked meat. Following a reported sample failure in October 2015, indicating the presence of *Listeria monocytogenes* in cooked beef, a series of inspections were undertaken by Environmental Health Services. Inspections of food production areas and questioning by competent officers led to the identification of serious food safety breaches. Satisfactory evidence was obtained to ensure hazardous food was removed from the food chain and production ceased pending improvements. It was this technical and legally competent work that prevented a likely food poisoning outbreak. The prosecution and fine help to represent the serious nature of the offences but the lessons learnt from other outbreaks and the competence and diligence of the City Council's own officers prevented a serious public health outbreak. The £28,000 costs awarded by the court are a reflection of the time and resources required to investigate and prosecute business for serious food safety offences of this nature.

CAR PARKING AND CITY CENTRE MANAGEMENT

Castle Way Crossing – The contract for the construction of a Toucan Crossing over Castle Way and a Raised Speed Table at the junction of Annetwell Street/Finkle Street/Castle Street has been awarded. In addition the City Council is also funding improvement to the footway from Devonshire Walk to Bridge Lane. The Contractor is due to start work on the 13th March 2017 and works are expected to be completed by the end of June 2017. In conjunction with this contract the County Council will be resurfacing a section of Castle Way. The above works will be carried out in such a way as to minimise disruption to all road users, extensive use is being made of night-time working.

Car Park Surfaces and Asset Developments – surfacing work is programmed in for the new financial year. This will cover Viaduct, Caldew Riverside and Back Corporation Road car parks. Asset development work included CCTV upgrades and an LED lighting replacement programme to be rolled out over the next 2 years. We will continue to upgrade other car parks as soon as funding is available.

GREEN SPACES

Bitts Park – the City Council's play area at Bitts Park has been extensively restored and upgraded following the 2015 floods and the last job was completed in February when the water-play park was refitted ready for the summer. The job had to wait until the electricity supply was restored and was carried out by a specialist contractor. Work to replace the pavilion and toilets is now being brought forward with a tender specification process underway.

In addition to the summer concert by Bryan Adams reported previously we now have the news that the popular girl band, Little Mix, will play in Bitts Park the following night. The weekend of 15-16 July is set to be a treat for pop music fans and will bring thousands of visitors into the city, giving our tourism businesses a real shot in the arm. Hotel rooms for miles around are expected to be booked out.

Kingmoor Nature Reserve – a major new electricity cable had to be routed through Kingmoor over the winter and the resulting excavation work caused a degree of disruption and mess. After some tough negotiations with Electricity North West and their contractors an extensive restoration programme has been agreed, funded by the companies concerned. At the same time a long-standing flooding problem, caused by a collapsed culvert beneath the railway line, has been programmed for repair by Network Rail. Once all these projects and restoration works are complete our visitors will be able to enjoy much better access to the reserve without the fear of waterlogged or rutted paths.

Talkin Tarn – Talkin Tarn continues to flourish and will break records again this year for the number of car-park tickets sold (up by 33% in two years) and the turnover of the Boat House tea room. The funds generated by these activities will be reinvested at the Tarn as usual, to make sure it continues to attract more visitors every year.

BEREAVEMENT SERVICES

Cemetery Safety - The task of conducting safety checks on the many thousands of headstones and memorials in our cemeteries is an essential one and we have engaged expert contractors make sure it is done thoroughly and professionally. Stanwix and Upperby cemeteries have now been completed and work will start this year on the main cemetery at Richardson Street. It is envisaged that these checks will take place on a 5-year recurring basis.

David Francis is an expert in the field of memorial masonry who has been assisting with our headstone safety checks. David advised the Ministry of Justice on its guidance and wanted to check they were fit for purpose. He was very complimentary about Carlisle City Council's approach and said we had demonstrated that "the risk can be removed almost completely without the need to level every memorial and monument".

The full article can be found on this link.

<http://www.stonespecialist.com/news/memorials/memorial-inspection-and-testing-report-douglas-swan-sons>

Charging policy – I am personally very pleased to report that in the consideration of the City Council's budget for 2017-18, the Executive decided to abolish the fees for burial or cremation of anybody under the age of 18, in a move to reduce the financial burden on families already struggling to come to terms with the loss of a child. I only hope that many more Council's will find themselves able to follow our example, even without Government backing.

Meeting Date: 7 March 2017

Public/Private*: Public

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

AFFORDABLE HOUSING

Two Castles Housing Association have been awarded £660k grant funding, following a successful bid to the Homes and Communities Agency's 'Shared Ownership & Affordable Homes Programme' to deliver 20 affordable homes in Carlisle: 10 for shared ownership and 10 for rent to buy. This is an 'indicative' bid meaning the development site (or sites) have still be identified.

Demonstration Project – Riverside are expecting to appoint their main development contractor shortly to deliver the scheme at Beverley Rise, Harraby, after running a tender on 'The Chest'. Further meetings have been arranged between the Council, Riverside and Carlisle College.

Old Brewery Residence's – Planning Officers have been granted authority to approve Impact Housing Association's application to redevelop this former student accommodation, following February's Development Control Committee, subject to some minor alterations. The conversion will provide 37 affordable rented apartments and townhouses, and includes flood remediation measures.

FLOOD RESILIENCE GRANTS

The application deadline for the flood resilience grants is now fast approaching, with all applications to be with the Council by 31st March 2017. The Council originally set a target of an uptake of the 30%, however this has now far been exceeded with take up in mid-February at 1023 (approx. 57% submitted applications, totalling just over 3.4 million of flood resilience measures.

306 households have taken the opportunity to have an independent flood level protection report, through our partner JBA Consulting. The cost of which has been paid up front by the Council.

HOUSING WHITE PAPER

The proposals in the Housing White Paper set out how the Government intends to boost housing land supply, and over the longer term, create a more efficient housing market. For local authorities the Government is offering higher fees to develop planning departments, simplified plan making and more funding for infrastructure.

There are also measures to take action against developers who do not deliver houses once planning permission is granted. For developers, there is an improved approach to developer contributions, an encouragement for a greater diversity of house builders, and more focus on design and quality. For local communities there will be simpler and clearer opportunities to get involved in the planning process. Many of the proposals are subject to further consultation, or will be part of the forthcoming Neighbourhood Planning Bill. Work is being carried out on responding to the consultation, and looking at the implications of the measures in the White Paper for Carlisle.

INVESTMENT AND POLICY

Local Plan Member's Working Group

Invitations have been sent out to the leaders of each party for nominations for members for this group. The group was instrumental in giving guidance to and assisting in the preparation of the now adopted Carlisle District Local Plan, and a suite of related documents. It is now time to reconvene this group to add value to the process of preparing documents set out in the Council's Local development Scheme. These include items such as the Community Infrastructure Levy, Supplementary Planning Documents, the Authority Monitoring Report and the Statement of Community Involvement.

St Cuthbert's Garden Village

Following an expression of interest submitted last July in response to the DCLG Garden Villages, Towns and Cities Prospectus, St Cuthbert's (known as Carlisle South in the adopted Local Plan) was selected on 4th January 2017 as one of the first 14 projects nationally so be supported by the programme. The assessment panel fed back that they were impressed by the submission and the genuine Garden Village potential that the project demonstrates. Of importance is the fact that the concept of Carlisle South is embedded in adopted Local Plan policy. The Garden Village status brings support from HCA, and we are currently awaiting a funding allocation. Very early work is underway gathering evidence to underpin the forthcoming master planning process for St Cuthbert's.

Meeting Date: 7 March 2017

Public/Private*: Public

Title: **Communities, Health and Wellbeing Portfolio Holder's Report –
Councillor Lee Sherriff**

CARLISLE AND EDEN COMMUNITY SAFETY PARTNERSHIP – VETERAN'S EVENT

We have successfully applied for funding from the Carlisle and Eden Community Safety Partnership to host an Armed Forces Veteran's support and engagement event at the Old Fire Station on the 1st of June 2017. The centre piece of this will be a talk and question and answer session from Falklands Hero Simon Weston as well as an opportunity for networking and learning about support organisations.

PROBLEM SOLVING GROUP

The next meeting of the Carlisle Problem Solving Group is scheduled to take place on the 11th April 2017.

The problem solving group (PSG) is made up of officers from Carlisle City Council, Cumbria Constabulary and the Local Housing Associations. The PSG is an operationally focussed group that works in partnership to develop and implement early interventions to address incidents of anti- social behaviour and crime.

There are two ways in which members can refer issues to the PSG for consideration. Firstly by making contact directly with the local Police Community Support Officers (PCSO) or secondly by sending the details to Ruth Crane, Community Development Officer who will act as the conduit for information sharing and ensure members receive updates. Action is taken to address issues in particular areas that are raised by partners. Members are only advised and updated on a problem or issue that they have reported.

CUSTOMER SERVICES

Her Majesty's Passport Office (HMPO) is now actively working in partnership with Carlisle City Council within Customer Services. Customers attend pre-arranged interviews for first time adult passports. The interviews must be arranged via HMPO offices directly.

The customer then attends the Civic Centre and has an interview with HMPO staff via a secure network connection. Carlisle has proved to be one of the most popular venues for this virtual interview service nationally. This service is not only for the residents of Carlisle but customers can and do choose Carlisle as their chosen venue. This also encourages those customers out of our area to stay and see what Carlisle has to offer.

SALESFORCE CRM

The authority has gone live with a new Customer Relationship Management (CRM) system called Salesforce. This system has been developed within the authority by officers in Digital & Information Services along with Customer Service staff. Salesforce is replacing Capita CRM which the organisation has used within customer services since 2004.

The CRM system allows the recording of service requests from customers and directly integrates into back office systems. In some cases the CRM will be the system used by the front and back office. The introduction of Salesforce CRM means that further development can be carried out, in-house, at a minimal cost. Salesforce will enable the provision of information regarding service requests and information in various formats.

Meeting Date: 7 March 2017

Public/Private*: Public

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

OLD FIRE STATION

Discussions regarding the development of new artists collective are going well. The aim is to bring together West Walls artists who are a collective from Carlisle & Eden Artists and represent Eden and parts of West Cumbria. We are looking at several proposals including exhibitions, workshops & potentially a permanent artist space in the yard of the Old Fire Station.

Talks are underway with a Newcastle based promoter that currently helps to programme some of the North's top venues. We are exploring the possibility of work to help bring in even higher profile events to the Old Fire Station on an affordable basis.

The Old Fire Station programme for 2017 is nearing completion and the team are beginning to plan the programme for 2018. Discussions are also underway with Prism arts around several events for later in the year.

VISIT HADRIAN'S WALL SOCIAL MEDIA

As partners with Visit Hadrian's Wall, Carlisle City Council is involved in a monthly rotation of partners along the wall to take ownership of the social media pages. In February 2017 Carlisle City Council monitored the pages and this involved looking after the posts, replies and comments on the Visit Hadrian's Wall Facebook and Twitter pages. Posts focused on national days of interest, Hadrian's Cavalry in Bitts Park, places to visit at the "West end", walking routes, Lanercost and more.

DISCOVER CARLISLE

Website

Details of upcoming events including Jess Glynn, Bryan Adams and Little Mix have been added to the Discover Carlisle website to promote the concerts taking place later this year.

The 2017 Holiday Guide is now out and a competition to win a night at the Halston is running. The competition is only accessible through the link published within the holiday guide. The guide is also accessible through the Discover Carlisle Website as a PDF Download.

Social Media

Both the Discover Facebook page and Twitter account continue to grow in followers. The Discover Carlisle Facebook currently has 2,069 followers and the Twitter account has 3,622 (as of Thursday 2 February 2017).

TULLIE HOUSE MUSEUM & ART GALLERY TRUST – MARCH 2017

Awards & Achievements

Tullie House Museum and Art Gallery are extremely pleased to announce that they won the prestigious BEST MUSEUM award at the Cumbria Life Culture Awards. The award was presented at a special event at Theatre by the Lake on Friday 3rd February- congratulations to all the dedicated teams of individuals both behind the scenes and front of house who strive to ensure they have innovative and engaging activities and exhibitions that will appeal to all visitors.

Following a recent assessment under the VisitEngland Visitor Attraction Quality Scheme Tullie House has also been awarded a VisitEngland Best Told Story Accolade. This accolade is testament to the high standards achieved for visitor engagement, excellent interpretation techniques and content.

Furthermore Going Places UK have awarded Tullie House their 'Cumbria/Yorkshire Museum of the Year 2016/2017'

Hadrian's Cavalry

In December 2016 Tullie House officially launched the Hadrian's Cavalry Exhibition to the press. Following this the Telegraph named Hadrian's Wall one of the top places to visit in the World in 2017, paying particular attention to the Hadrian's Cavalry exhibition and Tullie House was mentioned as one of the highlights.

Working Internationally

As part of Tullie House's working internationally project the Confucius Institute at Lancaster University has assisted the museum in securing a Chinese Language teacher based on site for the next two years. Gloria Huang started her placement in January and will be conducting Mandarin reading, writing and language classes, providing guided tours in Mandarin and will work with the learning, exhibitions and curatorial team to plan and develop the proposed 2018 exhibition in addition to planning lots of exciting activity for schools and for the general public.

To celebrate the Chinese New Year, The Harbin Performance Troupe visited the museum and the Old Fire station on 22nd January as part of a 2017 Oversees Tour Project. They performed live music which was a great opportunity for the general public to attend some free cultural events and experience a performance including traditional Chinese dance, music and marital arts.

East Meets West: The Brushstrokes of Wang Ying exhibition

This exhibition of 47 paintings by artist and Chinese Diplomat Mr Wang Ying opened to the public on Saturday 18th February. A special preview evening took place on Thursday 16th February which was attended by the Mayor, Councillor's and local businesses. Our honorary guests included a number of directors from Confucius institute's across the North West and the Consul General of the People's Republic of China to Manchester-Sun Dali.

Who Do You Think You Are? Sir Ian McKellen

On 25th January, Tullie House featured on the popular BBC genealogy programme 'Who Do You Think You Are?' alongside Sir Ian McKellen. Curator Melanie Gardner showed Sir Ian a painting of Carlisle from the North East, which has been credited to his relative Mr James Lowes, the painting was in a very poor condition and there was a fundraising appeal to help raise funds to have it conserved but with thanks to Sir Ian's generosity the painting has now been conserved and has been featured in the Spotlight Gallery alongside William Hutchinson's 'History of Cumberland' since September 2016.

Young Carers

The Mayor of Carlisle joined Tullie House on the 28th of January to celebrate the achievements of the senior Carlisle Young Carers group who have been meeting monthly at Tullie House for a year. The event celebrated the completion of their Bronze Arts Awards, and marked the beginning of new sessions for 2017 in which the current members would mentor new recruits to achieve an Arts Award of their own.

Report to:

Council

Agenda
Item

12(i)(b)

Meeting Date: 7th March 2017

Public/Private*: Public

Title: **COSP Chairman's Report – Councillor Rob Burns**

Pilgrim's Progress

My initial enthusiasm for writing the Chair's reports has, I confess, waned somewhat over the years, as it becomes increasingly difficult to find more positive words to eulogise (**sychophancy alert!) on the impressive way the Council continues to deal proactively with the demands of decreased budgets, reduced staffing and diminishing public confidence in most things political.

Suffice to say that, as a Body Corporate, we should commend ourselves on the expertise, perseverance and diligence that have helped us to continue to make progress, like Pilgrim, on the straight and narrow path, through the toils and snares of the Trough of Despondence (better known to us as 'austerity') to Paradise (better known to us as a balanced budget).

Just a minute

It is difficult too, unless you're Kenneth Williams, Nicholas Parsons or Derek Nimmo, (or their modern equivalents) to report without deviation, repetition or hesitation, on issues that appear frequently on our agendas, without the accusation of plagiarising your own previous work, particularly when the 'official' minutes of meetings provide all the detail and information required in an eminently readable digest.

Safety in Numbers

And so it is this month, (yes, I know it's grammatically incorrect to start a sentence with 'And') with the last couple of meetings being dominated by Community Safety, Housing and Welfare Reform issues which are clearly, hugely important and which prompted some robust and searching debate, all of which is outlined in the relevant minutes.

What I would add however, is my thanks, not only to officers from within our own organisation who prepared and presented thorough, thought provoking and sometimes challenging reports, but to those representatives from other agencies who, although there was no real imperative for them to do so, presented themselves for challenge and scrutiny and gave Panel Members some cause for optimism, particularly in the progress being made in these areas of service, through partnership working.

I generally verge on the side of cynicism in my view of partnerships, but there is no doubt that, in the case of the Welfare Reform Board and the Community Safety Partnership, there is indeed an added end value in pooling the knowledge and expertise of a number of different agencies.

The Panel also increased its knowledge and awareness of the current social housing scene, receiving updates from Riverside, Impact and Two Castles, as a result of which, COSP will host a workshop, open to all Members, to scope and discuss the nature of our future relationships with them, particularly Riverside, in the light of the conclusion of our original transfer agreement.

Be there or be square!

Report to Council

Agenda
Item

12(ii)(b)

Meeting Date: 7 March 2017

Public/Private*: Public

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

The main focus of the Panel's deliberations at the meeting was the Budget 2017 – 18.

We were happy to welcome the Chairs of Environment & Economy and Community Panels.

Over 50 questions were asked by Members of the Resources Panel ranging from bulky waste to parking charges from allotments to the new Funding Officer.

Concern was expressed with regard to the Public Budget Consultation document and would it be possible in future years to make it easier to understand to encourage more responses.

The Finance, Governance and Resources Portfolio Holder reported that the Budget assumed a £5 (2.54%) increase in Council Tax for a Band D property, which equated to less than 10 pence per week. The Executive was aware of the financial difficulties faced by many families. It was not therefore their intention to revise the Council Tax Discount Scheme which would continue at the statutory levels thus protecting vulnerable groups.

A Member asked for an explanation for the term 'over-borrowed' which had been used in the report.

The Chief Accountant responded that the term referred to the £15m borrowing and reflected the fact that cash back reserves and working capital added up to less than the balance of investments, with the remaining investment amount being made up of 'over borrowing'. The Capital Financing Requirement currently indicated that the Council may only need to borrow £13m in the future to finance the Council's assets. Therefore the Council currently had more borrowing than was needed to finance capital assets and the extra borrowing was in investment balances. He further advised that being over borrowed

was nothing to be concerned about. It merely had the benefit of providing additional cash for investment purposes but was very much dependent upon the balance on the Capital Financing Requirement (CFR) at particular point in time.

Future of Internal Audit

That the Executive:

1. Confirmed that the Council would not continue with the Internal Audit Shared Service arrangement with the County Council post March 2017.
2. Agreed, in principle, to bring the service back in-house subject to an appropriate financial appraisal and business case being considered and approved at a future meeting of the Executive.

Report to Council

Agenda
Item:

20(iii)

Meeting Date: 7 MARCH 2017
Portfolio: Economy and Enterprise
Key Decision: Yes: Recorded in the Notice Ref:KD02/17
Within Policy and Budget Framework Yes
Public / Private Public

Title: ECONOMIC DEVELOPMENT TECHNICAL SUPPORT REVIEW
Report of: CORPORATE DIRECTOR ECONOMIC DEVELOPMENT
Report Number: ED. 11/17

Purpose / Summary:

This report proposes changes to the structure of the Economic Development Administration Team in order to meet the increasing demands on the service and bring much needed capacity to focus on statutory services in particular Building Control, whilst supporting the corporate priority of economic growth. This new structure requires additional resource as set out in the report.

Recommendations:

Council are requested to consider approving the release of funds from reserves as set out in the report.

Tracking

Executive:	13 February 2017
Overview and Scrutiny:	
Council:	7 March 2017

Report to Executive

Agenda
Item:

A.3

Meeting Date: 13 FEBRUARY 2017
Portfolio: Economy and Enterprise
Key Decision: Yes: Recorded in the Notice Ref:KD02/17
Within Policy and Budget Framework: Yes
Public / Private: Public

Title: ECONOMIC DEVELOPMENT TECHNICAL SUPPORT REVIEW
Report of: CORPORATE DIRECTOR ECONOMIC DEVELOPMENT
Report Number: ED. 04/17

Purpose / Summary:

This report proposes changes to the structure of the Economic Development Administration Team in order to meet the increasing demands on the service and bring much needed capacity to focus on statutory services in particular Building Control, whilst supporting the corporate priority of economic growth. This new structure requires additional resource as set out in the report.

Recommendations:

The Executive are requested to make recommendations to Council to approve the release of funds from reserves as set out in the report.

Tracking

Executive:	13 February 2017
Overview and Scrutiny:	
Council:	7 March 2017

1. BACKGROUND

- 1.1 The ED Admin & Technical Support Team was established in 2011 to support the work of the whole of the Economic Development Directorate. Since then, a series of lean system reviews have been undertaken in order to ensure that services are appropriately supported and business needs are met.
- 1.2 The work is mainly technical in nature, requiring a rolling programme of procedural and protocol reviews with matrix managed training for staff in order to ensure that they have the necessary knowledge and skill set to carry out their role.
- 1.3 Work demands have increased year on year with the numbers of Planning and Building Regulation applications rising and legislative changes bringing additional time pressures. Planning and Building Control Officers are working at the upper limit of the recommended numbers in terms of caseload and require timely, accurate technical support in order to deliver to statutory deadlines.
- 1.4 The number of Planning Applications has increased from 1092 in 2013 to 1284 in 2015. Current Planning Officer case load is 154 applications (national recommended max being 150) so they are working at capacity. In addition, Planning Officers are dealing with over 100 enquiries each per year. As part of the lifecycle of every planning application, the Technical Support team deal with each application at least 5 times during the process. The increase in planning applications is also reflected by a consequent increase in applications to comply with the Building Regulations.
- 1.5 Whilst the number of Building Regulation applications has increased compared to last year by approximately 5%, the number of multi plot housing applications has increased significantly by approximately 200%, which results in a disproportionate amount of additional work to service all the plots. There have been 1148 Building Control applications from December 2015 to November 2016, which is a significant increase on 875 submitted in the same period in 2014/15.
- 1.6 There has been a significant increase in the interest in planning by the public since the legislative changes in 2012. With increased consultation and challenge, comes increased volume of work and pressure on staff to deliver within the statutory timeframe. Added to which, the increased Government monitoring has increased the pressure on the Council for a 5 weekly cycle for DC Committee. Additionally, there are similar time constraints when dealing with Building Control application that are also completing with the private sector. This puts additional pressure on the

Technical Support Team to get applications through the process in time for reporting to the next Committee which puts the Council at risk of not meeting statutory targets.

- 1.7 The ED Admin & Technical Support Team are a vital resource supporting the delivery of services which generate income. In light of the above, our analysis shows that the minimum number of staff required to support the business needs of Economic Development is 4.87FTE.
- 1.8 As part of the ED Admin & Technical Support review, a detailed cost analysis of the proposed structure was prepared, which identified a shortfall in the staffing base budget of £31,700 for 2017/18.
- 1.9 As per the structure outlined above, the additional budget required to fund the structure for the three years, taking into account of an anticipated 1% salary increase in years two and three, will be a total of £96,000.
- 1.10 Sufficient budget is held within Building Control reserves to fully fund the ED Admin & Technical Support structure for three years.

2. CONCLUSION

- 2.1 The review undertaken highlights the urgent need to address capacity issues affecting the ability of the ED Admin and Technical Support Team to deliver the full range of support required by providing additional resources to support Building Control; and freeing up staff to support services driving the growth agenda for the City as set out in the Carlisle Plan.

3. CONCLUSION AND REASONS FOR RECOMMENDATIONS

- 3.1 It is proposed that the new structure set out in Appendix A be implemented.
- 3.2 In order to ensure that the necessary budget is in place, the Executive are requested to approve the release of funds from reserves, for recommendation to Council.

4. CONTRIBUTION TO THE CARLISLE PLAN PRIORITIES

- 4.1 The Economic Development Technical Support team structure is crucial to the delivery of statutory functions of the Directorate. The team provides support to

services driving the growth agenda for the City Council and is a key resource in the delivery of actions contained within the Directorate Service Plan and Carlisle Plan.

Contact Officer: Debbie Kavanagh

Ext: 7018

Appendices Appendix A - Proposed Economic Development Admin Team
attached to report: Structure Chart

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

- None

CORPORATE IMPLICATIONS/RISKS:

Chief Executive's -

Deputy Chief Executive –

Economic Development –

Governance –

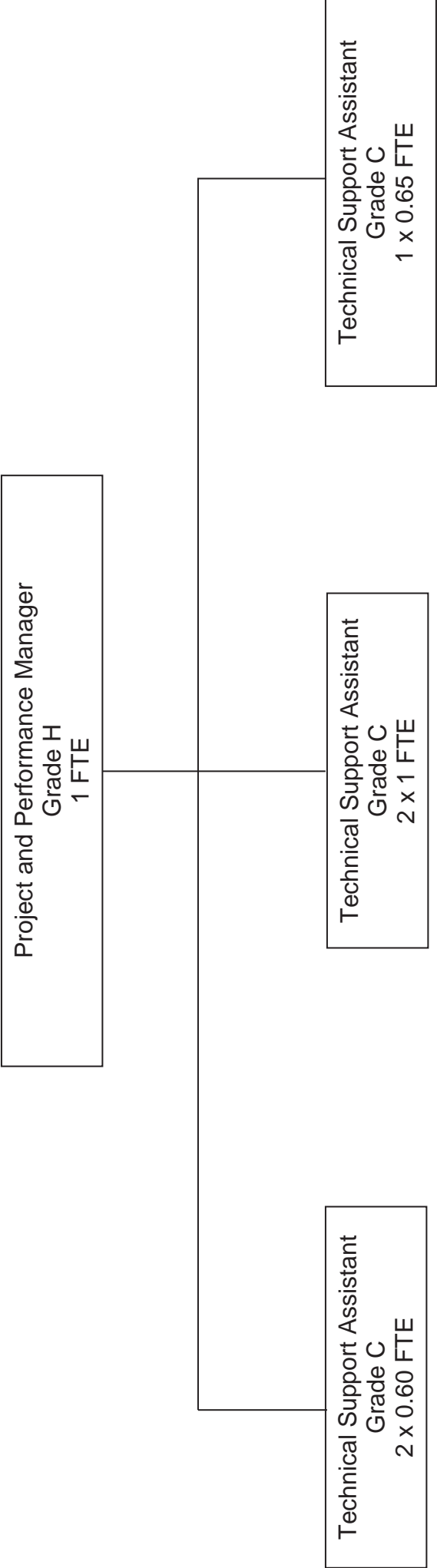
Local Environment –

Resources – This report requests the release of funding from the Building Control Reserve (subject to Council approval), to provide funding for the Economic Development Admin Team to ensure the level of support needed from increased Building Control application levels can be provided. The Building Control Reserve is ring fenced by statute to provide funds for improvements to the delivery of the Building Control function. Management of the reserve rests with the Corporate Director of Economic Development and approval to release funds from the reserve can only be given by Council. The balance of the reserve as at 1st April 2016 was £136,884.73 and it is estimated that additional funds will be transferred into the reserve this year due to an increased level of income received from increased applications.

It is proposed to release a total £96,000 from the Building Control Reserve over a period of 3 years (£31,700 in 2017/18, £32,000 in 2018/19, and that £32,300 in 2019/20).

APPENDIX A

Proposed Economic Development Admin Team Structure Chart = 4.87 FTE



EXCERPT FROM THE MINUTES OF THE EXECUTIVE HELD ON 13 FEBRUARY 2017

EX.13/17 **ECONOMIC DEVELOPMENT TECHNICAL SUPPORT REVIEW
(Key Decision – KD.02/17)

(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 Economy, Enterprise and Housing

Relevant Overview and Scrutiny Panel Environment and Economy

Subject Matter

The Economy, Enterprise and Housing Portfolio Holder submitted report ED.04/17 concerning the Economic Development Technical Support Review.

The Portfolio Holder outlined the background position and increased work demands, as detailed at Section 1 of the report. She emphasised that the Economic Development Administration and Technical Support Team was a vital resource supporting the delivery of services which generated income, such as Building Control. In light thereof analysis showed that the minimum number of staff required to support the business needs of Economic Development was 4.87 FTE.

As part of the Economic Development Administration and Technical Support review, a detailed cost analysis of the proposed structure had been prepared, which identified a shortfall in the staffing base budget of £31,700 for 2017/18.

As per the structure alluded to, the additional budget required to fund the structure for the three years, taking into account an anticipated 1% salary increase in years two and three, was a total of £96,000. Sufficient budget was held within Building Control Earmarked Reserve to fully fund the Economic Development Administration and Technical Support structure for three years. The Building Control Reserve is ring fenced by statute to provide funds for improvements to the delivery of the Building Control function, a service which is supported by the Economic Development Administration and Technical Support Team.

The Portfolio Holder reiterated that the review undertaken had highlighted the urgent need to address capacity issues affecting the ability of the Economic Development Administration and Technical Support Team to deliver the full range of support required. She further summarised the wide ranging nature of the work provided by the Team.

In conclusion the Economy, Enterprise and Housing Portfolio Holder requested that the Executive make recommendations to Council to approve the release of funds from reserves to fund the proposed new structure.

The Leader seconded the recommendation which clearly demonstrated the level of increased confidence in the City and increased number of planning applications year on year.

Summary of options rejected not to recommend release of the funding alluded to

DECISION

That the Executive recommended to Council approval of the release of funds from reserves to support the Economic Development Technical Support Review, as detailed within Report ED.04/17.

Reasons for Decision

In order to ensure that the necessary budget was in place to fund the proposed Economic Development Administration and Technical Support Team structure

Report to
Council

Agenda
Item

12(iii)(b)

Meeting Date: 7th March 2017

Public/Private*: Public

Title: **Chairman's Report – Councillor Paul Nedved**

The Panel met on the 19th January to consider Reports on the Cumbria Local Enterprise Partnership, Tourist Information Centre update, Progress Update to Business Support Task and Finish Group, Call -in Portfolio Decision - Hadrian's Cavalry Programme with Roman Turma Event and the Overview Report and Work Programme.

Cumbria Local Enterprise Partnership

Mr Graham Haywood, Director Cumbria LEP was welcomed to the meeting and provided a presentation followed by a Q and A from Members.

An overview of work undertaken by the LEP in Carlisle in 2016 was provided by Graham Haywood covering the following:-

- Carlisle Station Gateway
- Durrhill Infrastructure Project
- Enterprise Zone
- Garden Village
- Growth Deal Funding 2017
- Skills Funding
- M6 Strategic Connectivity.
- Emerging Government Policy

Alongside this a background report was provided by the Investment and Policy Manager concentrating on 4 key areas, Funding Impact of Brexit on European Funding, Tourism and Rural Issues, LEP Governance Review.

A wide ranging discussion ensued around the level of funding anticipated from Growth Deal 3. At this stage no announcement had been made however it became clear that the allocation would be lower than bid for and Members expressed disappointment that

Cumbria had received low allocations in rounds 1 and 2 and the impact that a Low Growth Deal 3 would have on the Strategic Plan.

Reasoning for the low allocation could be the per capita criteria or failure to agree a devolution deal.

Questioning on the quality of the bid and governance arrangements for the LEP were uppermost. Other key queries revolved round Citadel Development, support for SME's availability of funding from the EU, scrutiny arrangements of the LEP, new Garden Village and future economic expansion and how the LEP prioritised the monies received for projects.

Mr Haywood made stress of the point that the Growth Agenda and recruitment of staff were challenges as was the lack of a single body responsible for marketing and promoting the County.

The next Panel meeting in March would be looking at the Carlisle Economic Strategy which no doubt would cover some of these factors.

Tourist Information Centre Update

Members of the Panel have been actively involved in the TIC throughout the upgrade works both at Scrutiny and through a Task and Finish Group at the developmental stage. The Deputy Chief Executive, at the request of the Panel, provided a developing Business Plan and Marketing Strategy looking at the retail, commercial and web services at the TIC.

A detailed visitor survey was provided and subject to detailed scrutiny, especially reasons for a decline in visitor numbers.

Key discussions revolved round income targets from the Assembly rooms, low sale of goods income to 16th November and what steps were being taken to address this and any impact of the closure of the S&C Railway north of Appleby. Progress on signage throughout the City Centre was seen as crucial and had been identified in the Visitor Survey. Reassurance was provided that plans to install obelisks containing maps, signage and historical information were well underway.

TIC budgets and targets were examined.

A suggestion to reconvene the TIC T&F Group would be looked at in the next Civic Year as would a complete Business Plan and Marketing Strategy be forthcoming. Staff of the TIC were thanked for their contributions at the Centre.

Progress Update to Business Support Task and Finish Group

A Report and Recommendations were provided to the Panel by the T&F in October 2015.

The Investment and Policy Manager and Economy and Enterprise Officers provided an update.

Recommendation 1: Relating to audit of networks had clearly demonstrated good progress in engagement with local businesses and in particular the development of the Council's business website.

Establishing links with the Chamber of Commerce, LEP, UoC and Carlisle Ambassadors were progressing.

Recommendation 4: Which related to Communications and Marketing Strategy outlined the business website has attracted over 2,000 views and had been a useful tool for signposting people over 11 months.

Further improvements would be sought.

Recommendation 2: Rebranding the Enterprise Centre was subject to considerable discussion by the Panel. Tenants of the Enterprise Centre had been consulted on a broad range of issues including rebranding.

For the time being this suggestion was on hold as was thought to be a burdensome cost to the tenants.

Networking among tenants and the current occupation levels were also discussed.

Recommendation 3: Business Support and devolution were subject to any future devolution deal for Cumbria progressing.

Overall there was recognition that there had been some progress made in response to the Task Group's recommendations.

Call -In Hadrian's Cavalry Programme with Turma Event 1st – 2nd July

The context of the call-in revolved round a decision by the Leader to support the 2017 Hadrian's Cavalry Programme with funding for the Turma, marketing and exhibition at Tullie House provided from the Events Budget of £38k from 2016/17 and £7k from 2017/18 budget.

The programme of events for Carlisle comprise of live re-enactments of Roman Cavalry exercises over 2 days on Bitts Park and themed exhibition in Tullie House.

Reasons for the Call-In were outlined by the Chairman - Lack of Business Case, uncertainty of the financial liability and risk to the Council, whether the project provided value for money.

The Leader responded to a series of questions posed by the Chairman as to why £45k was the optimum level of contribution, what financial risk was the Council expected to carry, how was the event's success to be gauged and why funding was to be allocated to Tullie House, an Independent Trust.

The Leader detailed the purpose of the event, would be capped at £45k, and was part of a number of events and activities at different locations along Hadrian's Wall. Programme was largely funded by the Arts Council and was expected to attract a significant number of tourists contributing to economic growth and promoting the City.

A wide ranging discussion and probing of the programme ensued by Panel Members.

Members were supportive of the project however the Call-In had been useful bringing more information into the public domain, allowed scrutiny of the decision making process, discussed the underwriting of the project / financial risks and finally the proposed marketing and promotion of the programme. A decision not be referred back was taken by the Panel on the basis that:-

A Briefing Note to all Members setting out details of the Hadrian's Cavalry Programme and Turma event was to be circulated (this item has now been included in a forthcoming Informal Briefing to Councillors); Projected visitor numbers be provided; Panel should be involved in discussion of events in the future and this could be included in the next Civic Year Work Programme.

Full details of the discussions are to be found within the Minute Book.

Cllr Paul Nedved
Chairman

Report to Council

Agenda
Item:

20(i)

Meeting Date: 7th March 2017
Portfolio: Finance, Governance and Resources
Key Decision: No
Within Policy and Budget Framework YES
Public / Private Public

Title: REVENUE BUDGET OVERVIEW & MONITORING REPORT:
APRIL TO DECEMBER 2016
Report of: CHIEF FINANCE OFFICER
Report Number: RD 54/16

Purpose / Summary: This report provides an overview of the Council's overall budgetary position for the period April to December 2016 for revenue schemes only. The revenue report includes details of balance sheet management issues, high-risk budgets and performance management. Progress against the transformation savings is also provided.

Recommendations:

Council is asked to:

- (i) approve reprofiling of £97,000 as detailed in paragraph 4 from 2016/17 into 2017/18.

Tracking

Executive:	13 th February 2017
Overview and Scrutiny:	23 rd February 2017
Council:	7 th March 2017

Report to Executive

Agenda
Item:

Meeting Date: 13th February 2017
Portfolio: Finance, Governance and Resources
Key Decision: No
Within Policy and Budget Framework YES
Public / Private Public

Title: REVENUE BUDGET OVERVIEW & MONITORING REPORT:
APRIL TO DECEMBER 2016
Report of: CHIEF FINANCE OFFICER
Report Number: RD 54/16

Purpose / Summary: This report provides an overview of the Council's overall budgetary position for the period April to December 2016 for revenue schemes only. The revenue report includes details of balance sheet management issues, high-risk budgets and performance management. Progress against the transformation savings is also provided.

Recommendations:

The Executive is asked to:

- (ii) Note the budgetary performance position of the Council to December 2016;
- (iii) Note the potential forecast year end commitments as detailed in paragraph 4;
- (iv) Note the action by the Chief Finance Officer to write-off bad debts as detailed in paragraph 6;
- (v) Make recommendations to Council to approve reprofiling of £97,000 as detailed in paragraph 4 from 2016/17 into 2017/18.

Tracking

Executive:	13 th February 2017
Overview and Scrutiny:	23 rd February 2017
Council:	7 th March 2017

1. BACKGROUND INFORMATION AND OPTIONS

- 1.1 In accordance with the City Council's Financial Procedure Rules, the Chief Finance Officer is required to report to the Executive on the overall budget position, the monitoring and control of expenditure against budget allocations and the exercise of virement on a regular basis. Further details of virements processed can be found in **Appendix A**. It is the responsibility of individual Directors to control income and expenditure within their service areas and to monitor performance, taking account of financial information provided by the Chief Finance Officer.
- 1.2 All Managers currently receive a monthly budget monitoring report covering their areas of responsibility. Information is collated from the main accounting system and then adjusted to correct any known budget profiling trends, timing differences and commitments. The report has been developed in line with the need to provide sound financial management information to inform the decision making process.
- 1.3 Please note that throughout this report:
- (i) the use of a bracket represents a favourable position i.e. either an underspend or additional income received,
 - (ii) the term 'underspend' is taken to include both reduced expenditure and/or increased income,
 - (iii) the term 'overspend' includes both spending above budget and/or reduced income levels.

2. REVENUE BUDGET OVERVIEW

- 2.1 The following statement shows the total annual revenue budget as at December 2016:

2016/17 Revenue Budget	£
Approved Budget (Council resolution – February 2016)	13,091,300
Carry forward requests (2015/16 out-turn)	528,000
Council Resolution 2016/17	13,619,300
Non-Recurring :	
Enterprise Licences (IT Renewals Reserve)	48,000
Market Engagement (Leisure Reserve)	26,900
Project Officer (Economic Investment Reserve)	13,400
Environmental Surcharge Income (Cremator Replacement Reserve)	(66,000)
Homelife (Energy Efficiency Advice Reserve)	42,000
General Carry Forward Reserve	87,600
VR/ER costs (Transformation Reserve)	197,900
Updated Budget 2016/17	13,969,100

3. 2016/17 BUDGET MONITORING

3.1 The summarised budgetary position as at December 2016 is shown below:

Directorate / Appendix		Annual Net Budget	Net Budget to date	Net Spend to date	Adjusted Variance
		(£)	(£)	(£)	(£)
Community Services	B1	9,049,000	7,073,046	6,765,544	(307,502)
Corporate Support & Resource	B2	1,600,600	350,051	154,014	(196,037)
Economic Development	B3	1,241,100	927,295	987,940	60,645
Governance & Regulatory	B4	438,000	(100,249)	(71,466)	28,783
Corporate ⁽¹⁾	B5	3,655,900	(389,407)	(561,879)	(172,472)
Sub Total		15,984,600	7,860,736	7,274,153	(586,583)
Flood Expenditure (net) ⁽²⁾	B6	(2,015,500)	(94,800)	104,269	199,069
Total		13,969,100	7,765,936	7,378,422	(387,514)

Note 1: Corporate underspends include Salary Turnover Savings, Budget Savings, Inflation Savings, Direct Revenue Financing, Non-Distributed (Pension) costs and corporate management costs (which include bank and audit charges).

Note 2: Net Flooding expenditure relates to costs incurred as a result of the flood, some of which will be able to be claimed back through insurance claims. Non-insured costs will be funded from the £500,000 flood reserve unless the expenditure can be funded from underspends on base budgets. The overspend to date reflects the current funding required from the flood reserve.

3.2 Further details for each directorate can be found in **Appendices B1 – B6**. Each appendix shows a breakdown of the variance for the Directorate, with comments and a note of any performance issues.

3.3 The main income and expenditure variances are summarised below:

Under achieved Income

- Shortfall on Development Control income of £64,900.
- Shortfall on income from Tourist Information Centre of £50,300 (partly offset by underspends on expenditure of £30,600).
- Shortfall on income from Lanes of £ 515,200. £269,700 relating to a head rent adjustment for 2015/16 after completion of the detailed reconciliation of Head Rent calculation for 2015/16. This was received too late to be included within the outturn position for 2015/16. Revised Head Rent Projections for 2016/17 have been estimated at a further shortfall of £245,500.

Over achieved Income/Grants & Contributions

- Improved levels of income from property rent reviews of £148,800. These are in advance of the £1m additional income from the Council's assets to be achieved from 2018/19 onwards.
- Improved levels of income across the Industrial Estates, mainly from a further backdated rent review of £68,400 (this is non-recurring).
- Improved Crematorium income of £77,000.
- Improved income levels from Garden Waste of £64,600 and Plastic & Card Recycling of £23,300. These are offset by increased employee expenditure as a result of an ongoing restructure and service review.
- Improved income levels from Off Street Parking of £56,700. This is partly offset by increased NNDR costs.
- Improved levels of Building Control income of £48,400.
- Improved income levels of £66,700 at John Street Men's Accommodation due to provision now made for the level of income that can be recovered as part of our insurance claim.

Under budget Expenditure

- Underspend on Councillors' small scale community schemes of £26,600.
- Underspend on Minimum Revenue Provision of £156,700 due to a lower CFR at 31st March 2016.
- Net underspend position of £61,200 on Revenues and Benefits.
- Additional salary turnover saving achieved of £107,000.
- Savings on previous year inflation of £57,900.

- Under budget expenditure at Civic Centre of £84,600 mainly from credits for previous year energy costs

Over budget Expenditure

- Overspend of £91,400 in relation to NNDR payments for properties earmarked for demolition. The demolition has been delayed due to the December 2015 flood with the scope of work now being specified following the completion of necessary survey work.
- Net overspend of £108,700 on DIS expenditure mainly in relation to the implementation of DIS Digital Strategy (IT reserves still to be released and profiled once the outturn position is known).

3.4 A subjective analysis of the summarised budgetary position as at December 2016 excluding flood related items is shown below:

Subjective Analysis	Annual Budget	Budget to date	Actual to date	Adjusted Variance
	(£)	(£)	(£)	(£)
Employee Related	15,236,000	11,493,363	11,448,599	(44,764)
Premises Related	3,804,900	3,088,181	3,159,022	70,841
Transport Related	1,345,800	986,681	943,532	(43,149)
Supplies and Services	5,220,000	3,942,564	4,045,632	103,068
Third Party Payments	3,160,700	2,257,723	2,397,522	139,799
Other e.g. Housing Benefits	33,084,900	21,319,805	21,198,891	(120,914)
Total Expenditure	61,852,300	43,088,317	43,193,198	104,881
Grants and Contributions	(5,206,800)	(4,140,124)	(4,853,313)	(713,189)
Specific Grants e.g. Housing Benefits	(29,399,400)	(22,142,192)	(22,154,342)	(12,150)
Customer & Client Receipts	(10,989,700)	(8,737,863)	(8,673,901)	63,962
Other Income	(271,800)	(207,402)	(237,489)	(30,087)
Total Income	(45,867,700)	(35,227,581)	(35,919,045)	(691,464)
Total	15,984,600	7,860,736	7,274,153	(586,583)

3.5 The following table shows the position as at December 2016 of savings achieved against the transformation savings targets to date.

Savings Target	Target (£)	Achieved (£)	(Overachieved) /Outstanding (£)
Up to & including 2014/15		44,400	(44,400)
2015/16		(83,400)	83,400
2016/17 Target	1,201,000	1,339,700	(138,700)
Net Position 2016/17	1,201,000	1,300,700	(99,700)
2017/18 Current Target	795,000	289,800	505,200
2018/19 Current Target	1,479,000	434,700	1,044,300
Net Recurring position	3,475,000	2,025,200	1,449,800

Note: A non-recurring budget reduction of £135,500 for 2017/18 has been submitted as part of the 2017/18 budget process for savings achieved in advance

4. FORECAST OUTTURN POSITION 2016/17

4.1 The Council's financial position is affected by a number of external factors that have a financial impact during the course of the year and ultimately at the year end. These include:

- The general effect of local economic activity on the Council's income streams e.g. car parking, tourism and leisure activities.
- Fuel prices, energy costs and other inflationary issues.
- The effects of the housing market and property prices, especially with regard to income from land charges, rents and building and development control.

4.2 The Council's financial position will continue to be closely monitored and will be reported fully at outturn. Some of the significant service and income variances estimated for the year end are set out below.

Income

- Projected over achievement in investment income of £15,000
- Projected shortfall on rental income from The Lanes of £515,200.
- Projected surplus income from other Property rents of £200,000 due to rent reviews and back dated rent collected.
- Projected shortfall on Development Control income of £70,000.

Expenditure

- Projected underspend on Minimum Revenue Provision of £156,700.
- Projected over achievement of salary turnover savings of £125,000.
- Projected savings on inflation of £57,900.
- Projected transformation savings achieved early of target of £66,400.

- Projected underspend of £100,000 on Civic Centre energy and equipment costs.

4.3 Members are also asked to note that a full review of the profiling of budgets continue to be undertaken to allow better year end forecasting to be incorporated into the budget monitoring process.

Members are asked to make recommendations to Council to approve the reprofiling of £97,000 of Direct Revenue Financing from 2016/17 into 2017/18 due to known slippage in the capital programme (as detailed in RD55/16 elsewhere on this agenda).

4.4 Carry forward requests will be considered in line with the Council's Constitution as part of the year end process. However, a more robust and stringent approach will be taken where carry forwards will be strictly limited to those where there is evidence of contractual commitments to expenditure.

5. BALANCE SHEET MANAGEMENT

5.1 In line with CIPFA guidance and good practice, information relating to significant items on the Council's balance sheet is shown below. The information concentrates on those items that may have a material impact on the Council if not reviewed on a regular basis.

Balance Sheet item	Balance at 31/03/2016	Balance at Dec 2016	Note
Investments	£16.1m	£25.2m	(i)
Loans	£15.0m	£15.0m	(ii)
Debtors	£0.09m	£1.16m	(iii)
Creditors	£0.02m	£0.50m	

- (i) The anticipated return on these investments is estimated at £255,700 for 2016/17 with current forecasts anticipated to be slightly in excess of these projections.
- (ii) The cost of managing this debt, in terms of interest payable, is budgeted at £1,319,600 in 2016/17 with costs currently on target.
- (iii) There may be a significant impact on the cash flow of the Council if outstanding debts are not received. Any debts deemed to be irrecoverable are written off against a bad debt provision set up specifically for this purpose. Other significant debts relate to Council Tax, NNDR, and Housing Benefit overpayments.

- (iv) The Council's VAT partial exemption calculation for the period ending December 2016 has been calculated and at 2.7% is well below the 5% limit set by HMRC.

6. BAD DEBT WRITE-OFFS

- 6.1 The Chief Finance Officer has delegated authority for the write-off of outstanding debts for NNDR (not available at the time of writing this report), Council Tax and Debtors (including Penalty Charge Notices). In accordance with this, the Executive is asked to note that debts totalling £74,374.69 have been written off during Quarter 3 to the end of December 2016. A summary of bad debts is given in Table 1, **Appendix C** of this report and these costs will fall against the following:

	£
General Fund	67,059.53
Council Tax (Collection Fund)	7,315.16
NNDR	0.00
Total Write-offs	74,374.69

- 6.2 The "write-ons" itemised in Table 2, **Appendix C**, totalling £4,908.88, are in respect of balances originally written off that have since been paid for the Quarter 3 to the end of December 2016. The write-ons will be credited as follows:

	£
General Fund	0.43
Council Tax (Collection Fund)	4,908.45
NNDR	0.00
Total Write-ons	4,908.88

- 6.3 In the case of the General Fund, the write-offs will be charged against provisions for bad debts. However VAT, which has been identified separately, will be recouped in future VAT returns. HRA debts and provisions have transferred to the General Fund and any write-off/write-on of Council Tax will fall against the pool provisions within these accounts. Any Council Tax court costs written off will be charged against the Bad Debt Provision within the General Fund.
- 6.4 At this stage of the year, the level of bad debts is broadly in line with expectations and at this level will be within the scope of the current provisions to fund the bad debts. However, this situation is continuously under review and any major deviations will be the subject of future reports.

7. CONSULTATION

7.1 Consultation to date.

SMT and JMT have considered the issues raised in this report.

7.2 Consultation Proposed

Resources Overview and Scrutiny Panel will consider the report on 23 February 2017.

8. CONCLUSION AND REASONS FOR RECOMMENDATIONS

8.1 The Executive is asked to:

- (i) Note the budgetary performance position of the Council to December 2016;
- (ii) Note the potential forecast year end commitments as detailed in paragraph 4;
- (iii) Note the action by the Chief Finance Officer to write-off bad debts as detailed in paragraph 6;
- (iv) Make recommendations to Council to approve reprofiling of £97,000 as detailed in paragraph 4 from 2016/17 into 2017/18.

9. CONTRIBUTION TO THE CARLISLE PLAN PRIORITIES

9.1 The Council's revenue budget is set in accordance with the priorities of the Carlisle Plan and the position for the third quarter of 2016/17 shows the delivery of these priorities within budget.

Contact Officer: Emma Gillespie

Ext: 7289

Appendices A, B1 to B6 and C.
attached to report:

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

- **None**

CORPORATE IMPLICATIONS/RISKS: SMT and JMT have been involved in the preparation of this report. Risks to budgets and development of ongoing impact of issues identified are monitored carefully and appropriate action taken.

Chief Executive's – N/A

Deputy Chief Executive's – N/A

Economic Development – N/A

Governance – The Council has a fiduciary duty to manage its finances properly and the proper reporting of budget monitoring is part of this process.

Resources – Financial implications are contained within the main body of the report.

REVENUE BUDGET MONITORING 2016/17

VIREMENTS PROCESSED FOR PERIOD OCTOBER TO DECEMBER 2016

Date	Virement Details	Permanent/ Temporary	Value	Authorised By	
Requested by Officers (under £35,000 or delegated authority)					
21/12/2015	Appointment of Leisure Contract Retender Advisor (up to £125,000)	Temporary	1,900	OD 184/15 Deputy Chief Executive Chief Executive 02/12/16, Released by Executive RD32/16 Executive 21/11/16.	
21/11/2016	Provide budgets for costs relating to VR/ER accepted posts	Temporary	197,900		
Approved by Executive (£35,000 to £70,000)					
Approved by Council (over £70,000)					
08/11/2016	Provide funding for increased insurance premiums incurred as a result of the December 2015 flood from budget provision earmarked for inflation which is no longer required.	Permanent	196,000	RD19/16 Council 08/11/16	

REVENUE BUDGET MONITORING 2016/17

COMMUNITY SERVICES	Gross Expenditure	Gross Income	Recharges	Total
Position as at 30th December 2016	£	£	£	£
Annual Budget	17,201,800	(5,396,300)	(2,756,500)	9,049,000
Budget to date	13,364,719	(4,224,006)	(2,067,667)	7,073,046
Total Actual	13,386,826	(4,592,790)	(2,028,492)	6,765,544
Variance	22,107	(368,784)	39,175	(307,502)
Carry Forwards/Reserves & Provisions				0
Adjusted Variance	22,107	(368,784)	39,175	(307,502)

Analysis of Variances		Expenditure Variance	Income Variance	Recharges Variance	Adjusted Variance
Service	Note	£	£	£	£
Bereavement Services	1	(16,995)	(81,076)	0	(98,071)
Small Scale Community Schemes	2	(26,604)	0	0	(26,604)
Garage Services	3	(22,469)	(4,473)	37,219	10,277
Green Spaces	4	(23,063)	(61,071)	43	(84,091)
Parking	5	24,530	(87,526)	8	(62,987)
Tourist Information Centres	6	(30,572)	50,352	0	19,780
Waste Services	7	85,351	(76,283)	64	9,132
Miscellaneous	8	31,930	(108,707)	1,841	(74,937)
Total Variance to date		22,107	(368,784)	39,175	(307,502)

Note	Community Services - Comments
1.	Various minor underspends including energy costs; increased cremation fee income.
2.	Under budget on Councillors' small scale community schemes.
3.	Under budget employee costs; shortfall on job recharges partly offset by increased external income.
4.	Under budget on transport costs; additional fees and charges income.
5.	Over budget NNDR costs; offset by additional permit income, rental income and PCN income.
6.	Under budget employee costs offset by shortfall in income from sale of goods & accommodation bookings.
7.	Over budget employee costs relating to restructure expenditure; surplus income from Garden Waste & Plastics and Card Recycling.
8.	Various minor overspends & additional income across the service.

REVENUE BUDGET MONITORING 2016/17

CORPORATE SUPPORT AND RESOURCE	Gross Expenditure	Gross Income	Recharges	Adjusted Total
Position as at 30th December 2016	£	£	£	£
Annual Budget	38,339,200	(30,703,900)	(6,034,700)	1,600,600
Budget to date	28,275,191	(23,239,462)	(4,685,678)	350,051
Total Actual	28,140,257	(23,299,516)	(4,686,727)	154,014
Variance	(134,934)	(60,054)	(1,049)	(196,037)
Carry Forwards/Reserves & Provisions				0
Adjusted Variance	(134,934)	(60,054)	(1,049)	(196,037)

Analysis of Variances		Expenditure Variance	Income Variance	Recharges Variance	Adjusted Variance
Service	Note	£	£	£	£
Digital Information Services	1	111,712	(3,131)	158	108,739
Treasury and Debt Management	2	(161,386)	(23,050)	0	(184,436)
Revenues and Benefits	3	(42,133)	(19,076)	0	(61,209)
Miscellaneous	4	(43,127)	(14,797)	(1,207)	(59,131)
Total Variance to date		(134,934)	(60,054)	(1,049)	(196,037)

Note	Resources - Comments
1.	Over budget in relation to communications and DIS Strategy expenditure. Budgets still to be provided from reserve based on revised Strategy considered elsewhere on this agenda.
2.	Under budget on Minimum Revenue Provision, over achieved market deposit investment interest.
3.	Under budget supplies and services; additional grant income received.
4.	Various minor underspends, and increased levels of income.

REVENUE BUDGET MONITORING 2016/17

ECONOMIC DEVELOPMENT	Gross Expenditure	Gross Income	Recharges	Adjusted Total
Position as at 30th December 2016	£	£	£	£
Annual Budget	3,037,500	(1,402,500)	(393,900)	1,241,100
Budget to date	2,173,584	(950,822)	(295,467)	927,295
Total Actual	2,361,384	(1,078,019)	(295,425)	987,940
Variance	187,800	(127,197)	42	60,645
Carry Forwards/Reserves & Provisions				0
Adjusted Variance	187,800	(127,197)	42	60,645

Analysis of Variances		Expenditure Variance	Income Variance	Recharges Variance	Adjusted Variance
Service	Note	£	£	£	£
Development Control	1	1,741	64,861	0	66,602
Building Control	2	(84)	(51,305)	0	(51,389)
Miscellaneous	3	186,143	(140,754)	42	45,432
Total Variance to date		187,800	(127,197)	42	60,645

Note	Economic Development - Comments
1.	Shortfall in income from fees and charges.
2.	Surplus fee income received to date.
3.	Various net minor overspends and surplus income across the service.

REVENUE BUDGET MONITORING 2016/17

GOVERNANCE AND REGULATORY	Gross Expenditure	Gross Income	Recharges	Adjusted Total
Position as at 30th December 2016	£	£	£	£
Annual Budget	9,987,400	(6,275,900)	(3,273,500)	438,000
Budget to date	7,561,502	(5,204,811)	(2,456,940)	(100,249)
Total Actual	7,735,902	(5,328,636)	(2,478,732)	(71,466)
Variance	174,400	(123,825)	(21,792)	28,783
Carry Forwards/Reserves & Provisions				0
Adjusted Variance	174,400	(123,825)	(21,792)	28,783

Analysis of Variances		Expenditure Variance	Income Variance	Recharges Variance	Adjusted Variance
Service	Note	£	£	£	£
Buildings and Facilities	1	(43,153)	1,886	(21,537)	(62,805)
Civic Centre	2	(84,598)	(80)	67	(84,611)
City Engineers Highways	3	(21,796)	(450)	14	(22,232)
Municipal Elections	4	329,014	(360,024)	0	(31,011)
Homeless Accommodation	5	4,725	(109,891)	0	(105,166)
Industrial Estates	6	99,823	(79,712)	0	20,111
Legal Services	7	(3,772)	(34,098)	51	(37,819)
The Lanes	8	(4,869)	515,225	0	510,355
Asset Review Income	9	(148,800)	0	0	(148,800)
Property Services	10	41,528	6,976	54	48,559
Miscellaneous	11	6,298	(63,655)	(441)	(57,798)
Total Variance to date		174,400	(123,825)	(21,792)	28,783

Note	Governance and Regulatory- Comments
1.	Underspend on employee and equipment costs, overspend on premises costs; surplus income from job recharges.
2.	Underspend on energy costs due to credit for previous year.
3.	Underspend on lighting costs.
4.	Additional income for election costs; budgets will be allocated once all costs are paid and income has been received.
5.	Minor net overspend; additional rental income due to loss of income calculation for flood damage.
6.	Overspend on NNDR in relation to properties earmarked for demolition; surplus rent income due to rent reviews and backdated rent income.
7.	Additional legal services fee income and additional land charges income.
8.	Underspend on supplies and services; underachieved rent income due to a head rent adjustment relating to 2015/16 & estimated shortfall for 2016/17.
9.	Additional income generated from rent reviews being set aside as savings in advance of a future year's saving target.
10.	Overspend on premises costs at John Street Resource Centre & overspend in relation to asset disposal costs.
11.	Various net minor overspends and surplus income across the service.

REVENUE BUDGET MONITORING 2016/17

CORPORATE	Gross Expenditure	Gross Income	Recharges	Adjusted Total
Position as at 30th December 2016	£	£	£	£
Annual Budget	6,106,300	(2,450,400)	0	3,655,900
Budget to date	1,490,156	(1,879,563)	0	(389,407)
Total Actual	1,337,325	(1,899,204)	0	(561,879)
Variance	(152,831)	(19,641)	0	(172,472)
Carry Forwards/Reserves & Provisions				0
Adjusted Variance	(152,831)	(19,641)	0	(172,472)

Analysis of Variances		Expenditure Variance	Income Variance	Recharges Variance	Adjusted Variance
Service	Note	£	£	£	£
Non Distributed Costs	1	19,237	0	0	19,237
Other Financial Costs	2	(171,870)	(19,641)	0	(191,511)
Miscellaneous	3	(198)	0	0	(198)
Total Variance to date		(152,831)	(19,641)	0	(172,472)

Note	Resources - Comments
1.	Overspend on shared service pension costs.
2.	Improvements in savings for Salary Turnover (£106,983) & Inflation savings (£57,900); additional grant income received.
3.	Various minor underspends.

REVENUE BUDGET MONITORING 2016/17

REVENUE FLOOD RECOVERY	Gross Expenditure	Gross Income	Recharges	Adjusted Total
Position as at 30th December 2016	£	£	£	£
Annual Budget	2,000	(2,017,500)	0	(2,015,500)
Budget to date	1,502	(96,302)	0	(94,800)
Total Actual	2,546,466	(2,442,197)	0	104,269
Variance	2,544,964	(2,345,895)	0	199,069
Carry Forwards/Reserves & Provisions				0
Adjusted Variance	2,544,964	(2,345,895)	0	199,069

Analysis of Variances		Expenditure Variance	Income Variance	Recharges Variance	Adjusted Variance
Service	Note	£	£	£	£
Flood Damage Recovery	1	865,382	(664,683)	0	200,699
Flood Government Grant	2	1,664,928	(1,664,928)	0	0
Bellwin Scheme	3	14,654	(16,284)	0	(1,630)
Total Variance to date		2,544,964	(2,345,895)	0	199,069

Note	Resources - Comments
1.	Additional costs incurred as a result of the floods which will be recoverable through Insurance in full or in part. Variance shown is the balance required to be taken from the Flood Reserve to date.
2.	Flood grants paid out; fully recoverable through government grants.
3.	Initial response expenditure fully recoverable by Bellwin Claim.

BAD DEBT PROVISION

TABLE 1	Write-Offs December 2016		
Type of Debt	No.	£	Comments
NNDR (General)	23	7,315.16	01/10/16 to 31/12/16
NNDR (PSCT)			
Council Tax			
Debtors:			
Private Tenants			
Housing Benefit Overpayments	84	25,504.31	01/10/16 to 31/12/16
General Fund	20	720.31	01/10/16 to 31/12/16
Penalty Charge Notices:			
On Street	265	38,755.49	01/10/16 to 31/12/16
Off Street	25	2,079.42	01/10/16 to 31/12/16
Ex FTA Benefit			
TOTAL	417	74,374.69	
TABLE 2	Write-Ons December 2016		
Type of Debt		£	Comments
NNDR (General)	18	4,908.45	01/10/16 to 31/12/16
Council Tax			
Debtors:			
Private Tenants			
Housing Benefit Overpayments			
General Fund	3	0.43	01/10/16 to 31/12/16
Ex FTA Benefit			
TOTAL	21	4,908.88	

EXCERPT FROM THE MINUTES OF THE EXECUTIVE HELD ON 13 FEBRUARY 2017

**EX.17/17 **REVENUE BUDGET OVERVIEW AND MONITORING REPORT –
APRIL TO DECEMBER 2016
(Non 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 Finance, Governance and Resources

Relevant Overview and Scrutiny Panel Resources

Subject Matter

The Deputy Leader, and Finance, Governance and Resources Portfolio Holder submitted the Revenue Budget Overview and Monitoring Report for the period April to December 2016 (RD.54/16). He outlined the overall budgetary position and the monitoring and control of expenditure against budget allocations, together with the exercise of virement.

Details of the main variances in the Directorates' budgets; together with a subjective analysis of the summarised budgetary position as at December 2016 excluding flood related items were provided at tables 3.1 and 3.4 to the report.

In terms of the forecast outturn position 2016/17, the report recorded that the Council's financial position was affected by a number of external factors (including the general effect of local economic activity 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, rents and building and development control).

The Deputy Leader commented that the Council's financial position would continue to be closely monitored and would be reported fully at the outturn. A full review of the profiling of budgets continued to be undertaken to allow better year end forecasting to be incorporated into the budget monitoring process.

Members were asked to make recommendations to Council to approve the re-profiling of £97,000 of Direct Revenue Financing from 2016/17 into 2017/18 due to known slippage in the capital programme (as detailed in Report RD.55/16 elsewhere on the Executive Agenda).

Also set out within the report were an explanation of balance sheet management issues and action taken to write off bad debts.

The Deputy Leader wished to place on record once again thanks to the Financial Services Team for their work in relation to the Budget.

In conclusion the Deputy Leader, and Finance, Governance and Resources Portfolio Holder moved the recommendations which were seconded by the Leader.

Summary of options rejected None

DECISION

That the Executive:

- (i) Noted the budgetary performance position of the Council to December 2016;
- (ii) Noted the potential forecast year end commitments as detailed in paragraph 4 of Report RD.54/16;
- (iii) Noted the action by the Chief Finance Officer to write-off bad debts as detailed in paragraph 6.
- (iv) Made recommendations to Council to approve re-profiling of £97,000 as detailed in paragraph 4 from 2016/17 into 2017/18.

Reasons for Decision

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

Report to Council

Agenda
Item:

20(ii)

Meeting Date: 7th March 2017
Portfolio: Finance, Governance and Resources
Key Decision: No
Within Policy and Budget Framework YES
Public / Private Public

Title: CAPITAL BUDGET OVERVIEW AND MONITORING REPORT:
APRIL TO DECEMBER 2016
Report of: CHIEF FINANCE OFFICER
Report Number: RD 55/16

Purpose / Summary:

This report provides an overview of the budgetary position of the City Council's capital programme for the period April to December 2016.

Recommendations:

Council is asked to:

- (i) approve reprofiling of £1,164,300 as detailed in para 3.3 and Appendix A from 2016/17 into 2017/18.

Tracking

Executive:	13 th February 2017
Overview and Scrutiny:	23 rd February 2017
Council:	7 th March 2017

Report to Executive

Agenda
Item:

Meeting Date: 13th February 2017
Portfolio: Finance, Governance and Resources
Key Decision: No
Within Policy and Budget Framework YES
Public / Private Public

Title: CAPITAL BUDGET OVERVIEW AND MONITORING REPORT:
APRIL TO DECEMBER 2016
Report of: CHIEF FINANCE OFFICER
Report Number: RD 55/16

Purpose / Summary:

This report provides an overview of the budgetary position of the City Council's capital programme for the period April to December 2016.

Recommendations:

The Executive is asked to:

- (ii) Note and comment on the budgetary position and performance aspects of the capital programme for the period April to December 2016;
- (iii) Approve the release of the balance of £72,672.13 from the Conservation Reserve to fund emergency work in relation to the Central Plaza as per OD.144/16;
- (iv) Approve a virement of £47,300 to fund emergency work at the Central Plaza, thus fulfilling the Council's legal obligations, with the funding being provided from underspends within the 2016/17 Capital Programme;
- (v) Make recommendations to Council to approve reprofiling of £1,164,300 as detailed in para 3.3 and Appendix A from 2016/17 into 2017/18.

Tracking

Executive:	13 th February 2017
Overview and Scrutiny:	23 rd February 2017
Council:	7 th March 2017

1. BACKGROUND

- 1.1 In accordance with the City Council's Financial Procedure Rules, the Chief Finance Officer is required to report to the Executive on the overall budget position, the monitoring and control of expenditure against budget allocations and the exercise of virement on a regular basis. It is the responsibility of individual Directors to control income and expenditure within their areas of responsibility and to monitor performance, taking account of financial information provided by the Chief Finance Officer.
- 1.2 All Managers receive a monthly budget monitoring report covering their areas of responsibility. Information is collated from the main accounting system and then adjusted to correct any known budget profiling trends, timing differences and commitments. The report has been developed in line with the need to provide sound financial management information to inform the decision making process.
- 1.3 Throughout the report, the use of brackets indicates a credit or income budget, and the term underspend also relates to additional income generated.
- 1.4 It is important to understand the distinction between capital and revenue expenditure.

The general rule is that all expenditure must be treated as revenue expenditure unless it meets strict criteria allowing it to be treated as capital expenditure.

Capital expenditure is for fixed assets such as acquisition of land and buildings, construction, conversion or enhancement of existing buildings, or the purchase of new technology, vehicles, plant, machinery or equipment that yields benefits to the Council and the services it provides for more than one year.

Revenue expenditure is for the day to day running costs of providing Council services such as staff costs, premises, transport, and goods and services used in the delivery of services.

2. CAPITAL BUDGET OVERVIEW

- 2.1 The following statement shows the annual capital programme for 2016/17:

2016/17 Capital Budget	£
2016/17 Capital Programme (RD07/16 Council 19/07/16)	10,018,800
Minor Works Grants (ED09/16 Executive 04/04/16)	73,300
Section 106 & Grants for Play Areas & Open Space Improvements (LE10/16 Executive 04/07/16)	149,400
Section 106 for Play Areas & Open Space Improvements (LE15/16 Executive 30/08/16)	50,000
Direct Revenue Financing Play Areas	51,500
Additional External Grants & contributions for Play Area Improvements	82,000
Broadband Connection Vouchers (OD.075/15 29/06/15)	2,600
Direct Revenue Financing Vehicle Replacement	20,100
Increase for schemes funded from insurance settlements	2,015,500
EA Central Plaza (RD.33/16 Executive 21/11/16)	44,000
Shared service contributions towards DIS Infrastructure	40,700
Revised 2016/17 Capital Programme (at Sept 2016)	12,547,900
Less Capital Reserves to be released by Executive (see para 3.7)	(580,000)
Revised 2016/17 Capital Programme (released)	11,967,900
Carry Forwards into 2017/18 (Subject to Council Approval, see para 3.3)	(1,164,300)
Revised 2016/17 Capital Programme (released)	10,803,600

2.2 A breakdown of the revised capital programme can be found in **Appendix A**.

3. 2016/17 BUDGET MONITORING

3.1 The position statement as at December 2016 can be summarised as follows:

Directorate	Revised Annual Budget £	Budget to Date £	Spend to date £	Variance to date £	Para. Ref.
Community Services	4,364,500	990,884	989,185	(1,699)	-
Corporate Support & Resource	130,800	119,505	196,713	77,208	3.4
Economic Development	458,100	118,458	74,193	(44,265)	3.5
Governance & Regulatory	4,743,200	3,067,352	2,336,678	(730,674)	3.6
Flood Recovery	2,271,300	878,168	867,335	(10,833)	-
Total	11,967,900	5,174,367	4,464,104	(710,263)	
Reserves to be released	580,000	0	0	0	3.7
Total	12,547,900	5,174,367	4,464,104	(710,263)	

Schemes still to be released by the Executive have been removed from the budget monitoring process until the budgets have been released.

A detailed analysis of the schemes within each directorate can be found in **Appendices B to F** with the main issues being summarised in the paragraphs below.

- 3.2 As at the end of December, expenditure of £4,464,104 has been incurred. When considered against the profiled budget of £5,174,367 this equates to an underspend of £710,263.

The unspent balance remaining of the revised annual budget of £11,967,900 is £7,503,796. This will continue to be closely monitored over the following months to identify accurate project profiles and any potential slippage into future years.

- 3.3 However an initial review of the 2016/17 capital programme has been undertaken and **the Executive are asked to recommend to Council the reprofiling of £1,164,300 from 2016/17 to 2017/18** (further details in Appendix A).

Directorate	Annual Budget	Carry Forwards	Revised Annual Budget	Spend to Date	Budget Remaining
	£	£	£	£	£
Community Services	4,364,500	(497,000)	3,867,500	989,185	2,878,315
Corporate Support & Resource	130,800	0	130,800	196,713	(65,913)
Economic Development	458,100	0	458,100	74,193	383,907
Governance & Regulatory	4,743,200	(667,300)	4,075,900	2,336,678	1,739,222
Flood Recovery	2,271,300	0	2,271,300	867,335	1,403,965
Total	11,967,900	(1,164,300)	10,803,600	4,464,104	6,339,496
Reserves to be released	580,000	0	0	0	0
Total	12,547,900	(1,164,300)	10,803,600	4,464,104	6,339,496

The unspent balance remaining of the revised annual budget of £10,803,600 is £6,339,496 as at December 2016.

- 3.4 The variance in Resources is attributable to the following:
- (i) A net overspend on DIS Strategy & RBS ICT upgrades to date. There is budget of £200,000 available for ICT Infrastructure subject to release by the Executive. A report is considered elsewhere on this agenda.
- 3.5 The variance in Economic Development is attributable to the following:
- (i) An underspend on Old Town Hall of £51,500. Project is now complete with outstanding retention subsequently paid in early January. Project has completed under budget.

- (ii) An overspend on Central Plaza as at December 2016 of £7,300. A total of £164,000 of work at the Central Plaza has been approved under the Building Act 1984 S78 Dangerous building – emergency measures. It is proposed to fund the expenditure as follows:

	£
Approved Emergency Works (OD.104/16 & OD.144/16)	164,000.00
Funded from Conservation Reserve (released by Executive 21/11/16 RD.33/16)	(44,000.00)
Balance of funding required	120,000.00
Balance available from Conservation Reserve (subject to release by Executive)	(72,672.13)
Shortfall in funding to be provided from a virement (subject to approval by Executive)	(47,327.87)

The Executive is requested to release the balance of £72,672.13 from the Conservation Reserve to part fund the emergency work in relation to the Central Plaza as per OD.144/16, thus fulfilling the Council's legal obligations. It is proposed to provide the balance of funding from underspends on the 2016/17 Capital Programme and the Executive is formally asked to approve the virement of £47,300.

It should be noted that the total expenditure for these works is now expected to be slightly in excess of the level currently approved.

- 3.6 The variance in Governance and Regulatory Services is attributable to the following:
- (i) An overspend of £87,700 on Durrhill Industrial Estate. Additional contributions towards the project are being finalised which will cover the level of overspend.
 - (ii) An underspend on Disabled Facilities Grants of £821,000. The take up of DFGs is reduced due to a reduced level of referrals being received. The position is being monitored. £400,000 from the DFG allocation is now being earmarked for discretionary funds as approved by Council 10/01/17 (GD04/17). A total carry forward of £667,300 into 2017/18 has been identified; however it is likely that there will be a further carry forward requirement for any remaining balances at year end.
- 3.7 A number of schemes are included in the capital programme for 2016/17 that require reports to be presented to the Executive for the release of funding before the project can go ahead.

Scheme	Budget £	Note
Old Town Hall / Greenmarket	380,000	
ICT Infrastructure	200,000	1
Total Reserves to be released	580,000	

Notes:

1. A report is considered elsewhere on this agenda for the release of this budget in line with the DIS Digital Strategy.

4. FINANCING

- 4.1 The 2016/17 capital programme can be financed as follows:

	Current Programme £
Total Programme to be financed (para 2.1)	10,803,600
<u>Financed by:</u>	
Capital Receipts (including PRTB receipts)	2,372,100
Capital Grants	
• Disabled Facilities Grant	1,467,300
• General	2,034,200
Direct Revenue Financing	4,031,800
Other Contributions	844,400
Earmarked Reserves	53,800
Total Financing	10,803,600

5. CAPITAL RESOURCES

- 5.1 The following table shows the position as at December 2016 of the capital resources due to be received during 2016/17:

	2016/17 Budget £	2016/17 Revised Budget £	2016/17 Actual £	2016/17 Not yet received £	Note
Capital Receipts					
· General	0	0	(62,000)	(62,000)	1
· Asset Review	(2,000,000)	(2,000,000)	(516,364)	1,483,636	1
· Vehicle Sales		0	(2,375)	(2,375)	2
· Renovation Grants repaid	0	0	0	0	
· PRTB Sharing agreement	(150,000)	(150,000)	0	150,000	3
Capital Grants					4
· Disabled Facilities Grant	(1,467,300)	(1,467,300)	(1,467,316)	(16)	
· Durranshill Industrial Estate	(1,157,800)	(1,157,800)	(1,157,763)	37	
· Lawn Tennis Association	(400,000)	0	0	0	
· British Cycling	(650,000)	(650,000)	0	650,000	
· General	(153,100)	(153,100)	(73,140)	79,960	
Capital Contributions					
· Section 106	(803,700)	(803,700)	(71,555)	732,145	5
· General	(40,700)	(40,700)	(100,927)	(60,227)	6
Total	(6,822,600)	(6,422,600)	(3,451,440)	2,971,160	

Notes:

1. Receipts for 2016/17 are anticipated to be received from asset review sales (£2,000,000).
2. Included within vehicle sales are receipts of £2,375 for individual vehicle sales that are below the deminimis of £10,000 for capital receipts. These will be transferred to revenue at the year end and will be used to fund the capital programme in line with the capital strategy.
3. PRTB income for the year is received on 28 April following the year-end but is accrued into the relevant year. There have been 10 sales as at December 2016. Updated information recently received from Riverside Group suggests that the income from PRTB receipts for 2016/17 is likely to be approximately £172,100 with a maximum of 11 sales projected during the year.
4. Capital grants are received once associated capital expenditure has been incurred and the amounts then reclaimed from the sponsoring body.
5. Contributions from Section 106 agreements to Castle Way scheme (£329,700), Public Realm S106 (£62,100), Crindledyke Cycleway (£281,000), Play Area Developments (£58,900) and Open Space Improvements (£72,000).

6. Additional contributions received towards Disabled Facilities Grants (£32,254), Public Realm (£25,000), DIS Strategy (£40,673) and Vehicle Replacements (£3,000).

6. BALANCE SHEET MANAGEMENT

- 6.1 In line with CIPFA guidance and best practice, information relating to significant capital items on the Council's balance sheet is provided in this section. The information concentrates on those items that may have a material impact on the Council if not reviewed on a regular basis and will ensure that the Council is using its resources effectively and that appropriate governance arrangements are in place around the use of Council assets and liabilities.
- 6.2 Fixed assets are revalued annually to ensure that an up to date value is held in the balance sheet. The revaluation programme is the responsibility of Property Services. It should be noted that some expenditure will be incurred during the course of the year which can be correctly classified as capital expenditure, but which will not increase the value of any of the Council's assets. This expenditure is written off to the revaluation reserve or through the Comprehensive Income and Expenditure Account as appropriate.
- 6.3 The value of fixed assets is a significant part of the balance sheet. In the 2015/16 accounts, fixed assets totalled £160million (2014/15 £153million). This represents 95% of the net current assets of the City Council.
- 6.4 Debtors
This relates to the amount of income due to the Council that has not yet been received. For capital items, this mainly relates to grants and contributions that the Council is able to claim towards funding capital expenditure, and receipts for the Council's share of the PRTB (Preserved Right to Buy) agreement. Generally capital debtors arise due to timing differences where a cut off point occurs (e.g. the financial year-end) and/or expenditure has been incurred in advance of making the grant claim. As at December 2016 debtors of £11,935 (£1,141,427 at 31 March 2016) were outstanding for capital grants, contributions and receipts. PRTB receipts for 2015/16 were received in April in accordance with the agreement.
- 6.5 Creditors
This is the amount of money due to be paid by the Council for goods and services received from its external customers and contractors. For capital schemes this also includes retentions i.e. the amount due to the contractor after a specified period (normally one year) following the completion of a project; this time is used to assess

and correct any defects outstanding on the scheme. Amounts earmarked for retention as at December 2016 totalled £55,260 (£113,890 at 31 March 2016).

7. PERFORMANCE

- 7.1 The 2016/17 programme has been kept to a level that takes account of the Council's ability to deliver schemes with regard to capacity and available resources. Work is ongoing to continue to monitor the profiling of budgets, and these are adjusted to reflect progress in current capital schemes. It is likely that there will still be a requirement for some carry forwards at the year end due to further slippage and delays on projects. Members are reminded that budgets totalling £580,000 are being held in reserves until approved by Executive for release.
- 7.2 The Senior Management Team will 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 will be managed by a Corporate Programme Board chaired by the Chief Executive. Decisions to proceed or otherwise with proposed projects will be made in the usual way in accordance with the Council decision making framework.
- 7.3 A review of all capital expenditure incurred is ongoing to ensure that the expenditure has been correctly allocated between revenue and capital schemes. This will facilitate the year end classification of assets.

8. CONSULTATION

- 8.1 Consultation to Date
SMT & JMT have considered the issues raised in this report.
- 8.2 Consultation Proposed
Resources Overview & Scrutiny Panel will consider the report on 23 February 2017.

9. CONCLUSION AND REASONS FOR RECOMMENDATIONS

- 9.1 The Executive is asked to:
- (i) Note and comment on the budgetary position and performance aspects of the capital programme for the period April to December 2016;
 - (ii) Approve the release of the balance of £72,672.13 from the Conservation Reserve to fund emergency work in relation to the Central Plaza as per OD.144/16;

- (iii) Approve a virement of £47,300 to fund emergency work at the Central Plaza, thus fulfilling the Council's legal obligations, with the funding being provided from underspends within the 2016/17 Capital Programme;
- (iv) Make recommendations to Council to approve reprofiling of £1,164,300 as detailed in para 3.3 and Appendix A from 2016/17 into 2017/18.

10. CONTRIBUTION TO THE CARLISLE PLAN PRIORITIES

10.1 The Council's capital programme reflects the current priorities in the Carlisle Plan.

Contact Officer: Emma Gillespie

Ext: 7289

**Appendices A to F
attached to report:**

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

- None

CORPORATE IMPLICATIONS/RISKS:

Chief Executive's – Not applicable

Deputy Chief Executive's – Not applicable

Economic Development – Not applicable

Governance – The Council has a fiduciary duty to manage its finances properly and the proper reporting of the budget monitoring is part of this process

Resources – Financial implications are contained in the main body of the report.

2016/17 CAPITAL PROGRAMME
APPENDIX A

Scheme	Original Capital Programme 2016/17 £	Other Adjustments £	Proposed Carry Forwards £	Revised Capital Programme 2016/17 £
<u>Current non-recurring commitments</u>				
Public Realm (S106)	62,100	0	0	62,100
Castle Way (S106)	329,700	0	0	329,700
Arts Centre	47,900	0	0	47,900
Old Town Hall Phase 2	88,100	0	0	88,100
Tennis Facilities	497,000	0	(497,000)	0
Cycle Track Development	650,000	0	0	650,000
Harraby School and Community Campus contribution	500,000	0	0	500,000
Asset Review	992,900	0	0	992,900
Market Hall Roof	460,000	0	0	460,000
	3,627,700	0	(497,000)	3,130,700
<u>Recurring commitments</u>				
Planned Enhancements to Council Property	252,400	0	0	252,400
Vehicles, Plant & Equipment	1,818,100	20,100	0	1,838,200
DIS Infrastructure	44,900	40,700	0	85,600
	2,115,400	60,800	0	2,176,200
<u>Disabled Facilities Grants</u>				
Private Sector Grants	1,467,300	0	(667,300)	800,000
Minor Works Grants	0	73,300	0	73,300
	1,467,300	73,300	(667,300)	873,300
<u>Continuing Schemes</u>				
Crindledyke Cycleway	281,000	0	0	281,000
Durranhill Industrial Estate	1,157,800	0	0	1,157,800
Play Area Developments	1,500	217,600	0	219,100
Open Space Improvements	0	72,000	0	72,000
Kingstown Industrial Estate	9,800	0	0	9,800
Public Realm Improvements	261,300	0	0	261,300
Revenues & Benefits ICT Upgrades	45,200	0	0	45,200
Broadband Connection Vouchers	0	2,600	0	2,600
	1,756,600	292,200	0	2,048,800
<u>New non-recurring commitments</u>				
Vehicles, Plant & Equipment	259,300	0	0	259,300
Bits Park Improvements	212,500	43,300	0	255,800
IC All Risk Flood	0	94,800	0	94,800
IC Buildings Flood	0	1,920,700	0	1,920,700
EA Central Plaza	0	44,000	0	44,000
	471,800	2,102,800	0	2,574,600
TOTAL	9,438,800	2,529,100	(1,164,300)	10,803,600
<u>Capital Reserves to be released</u>				
DIS Infrastructure	200,000	0	0	200,000
Old Town Hall / Greenmarket	380,000	0	0	380,000
	580,000	0	0	580,000
REVISED TOTAL	10,018,800	2,529,100	(1,164,300)	11,383,600

DECEMBER 2016 - CAPITAL BUDGET MONITORING

APPENDIX B

COMMUNITY SERVICES

Scheme	Annual Budget £	Proposed Carry Forwards £	Revised Annual Budget £	Budget to date £	Expenditure to date £	Variance to date £	Details of major variance
Art Centre	47,900	0	47,900	633	634	1	Project build completed and venue opened May 2015. Budget carried forward to provide for any uninsured costs associated with the rebuild after the floods.
Harraby School and Community Campus Contribution	500,000	0	500,000	500,000	500,000	0	Budget released by Executive 11/3/13 (SD02/13). Phased payments released as per agreement.
Tennis Facilities	497,000	(497,000)	0	0	0	0	Approved by Council 08/09/15 (SD16/15).
Cycle Track Developments	650,000	0	650,000	0	0	0	Approved by Executive 27/07/15 (SD13/15). Tender exercise complete. Due to commence March 2017.
Vehicles & Plant	2,097,500	0	2,097,500	328,600	328,819	219	Approved by Executive 07/04/15 (LE09/15). Replacement of vehicle purchases in 2016/17 on target to date.
Play Area Developments	219,100	0	219,100	144,450	143,564	(886)	Approved by Executive 04/07/16 (LE10/16) funded by S106 monies, external grant and direct revenue financing. Schemes progressing as planned.
Open Space Improvements	72,000	0	72,000	13,800	12,778	(1,022)	Approved by Executive 04/07/16 (LE10/16) funded by S106 monies, external grant and direct revenue financing.
Crindledyke Cycleway (S106)	281,000	0	281,000	3,401	3,390	(11)	Approved by Executive 01/06/15 (LE10/15). Funded by Section 106 monies.
Grand Total	4,364,500	(497,000)	3,867,500	990,884	989,185	(1,699)	

DECEMBER 2016 - CAPITAL BUDGET MONITORING

APPENDIX C

CORPORATE SUPPORT & RESOURCES

Scheme	Annual Budget £	Proposed Carry Forwards £	Revised Annual Budget £	Budget to date £	Expenditure to date £	Variance to date £	Details of major variance
DIS Infrastructure	85,600	0	85,600	85,600	196,713	111,113	Part of DIS Strategy Business Case. Budget carried forward to accommodate contracts and orders placed to upgrade IT infrastructure, network & equipment. Additional £200,000 budget available subject to release by Executive.
Revenues and Benefits ICT Upgrades	45,200	0	45,200	33,905	0	(33,905)	Budget carried forward as part of DIS Strategy.
Grand Total	130,800	0	130,800	119,505	196,713	77,208	

DECEMBER 2016 - CAPITAL BUDGET MONITORING

APPENDIX D

ECONOMIC DEVELOPMENT

Scheme	Annual Budget £	Proposed Carry Forwards £	Revised Annual Budget £	Budget to date £	Expenditure to date £	Variance to date £	Details of major variance
Public Realm Work	261,300	0	261,300	18,555	18,438	(117)	Budget released by Executive 10/03/14 (ED10/14). Additional budget released by Executive 07/04/15 (ED15/15). Project progressing.
Broadband Connection Vouchers	2,600	0	2,600	2,600	2,640	40	OD.075/15 (29/06/15) approved participation in this initiative which is fully funded by external grant. Project complete.
Old Town Hall Phase 2	88,100	0	88,100	53,303	1,779	(51,524)	Budget carried forward to cover outstanding contractual payments. Project complete. Retention due.
Public Realm (S106)	62,100	0	62,100	0	0	0	Approved by Executive 3/9/12 (RD34/12). Funded by Section 106 monies. Tender awarded. Contract will commit expenditure and secure S106 monies.
EA Central Plaza	44,000	0	0	44,000	51,336	7,336	Implementation of work under the Director of Economic Development's emergency powers with reference to the Building Act 1984 S78 Dangerous building - emergency measures (OD.104/16).
Grand Total	458,100	0	414,100	118,458	74,193	(44,265)	

DECEMBER 2016 - CAPITAL BUDGET MONITORING

APPENDIX E

GOVERNANCE & REGULATORY

Scheme	Annual Budget £	Proposed Carry Forwards £	Revised Annual Budget £	Budget to date £	Expenditure to date £	Variance to date £	Details of major variance
Planned Enhancements to Council Property	252,400	0	252,400	111,567	112,793	1,226	Individual projects progressing as planned.
Market Hall Roof	460,000	0	460,000	0	0	0	Budget released by Executive 26/09/16 (GD51/16).
Asset Management Plan	992,900	0	992,900	669,997	670,267	270	Budget carried forward in relation to remaining payments from Escrow account & demolition costs.
Kingstown Industrial Estate Roads	9,800	0	9,800	0	0	0	Remaining budget required for additional public realm signage.
Durranshill Industrial Estate	1,157,800	0	1,157,800	1,157,800	1,245,517	87,717	Approved by Executive 15/01/14 (ED02/14). Revised programme of works approved by Executive 7/04/15 (ED14/15). Additional contributions expected which should cover the overspend.
Castle Way (S106)	329,700	0	329,700	27,366	26,971	(395)	Approved by Executive 11/4/12 (RD01/12). Funded by Section 106 monies. Revised scheme being progressed.
Disabled Facilities Grants	1,467,300	(667,300)	800,000	1,100,622	279,599	(821,023)	Mandatory Grants. The take up of DFGs is reduced due to a lower level of referrals. The position is being closely monitored. £400,000 is now being earmarked for discretionary funds as approved by Council 10/01/17 (GD04/17).
Minor Works Grants	73,300	0	73,300	0	1,531	1,531	Budget approved by Executive 04/04/16 (ED09/16).
Grand Total	4,743,200	(667,300)	4,075,900	3,067,352	2,336,678	(730,674)	

DECEMBER 2016 - CAPITAL BUDGET MONITORING

APPENDIX F

FLOOD RELATED CAPITAL EXPENDITURE

Scheme	Annual Budget £	Proposed Carry Forwards £	Revised Annual Budget £	Budget to date £	Expenditure to date £	Variance to date £	Details of major variance
IC Buildings Flood Capital	1,920,700	0	1,920,700	552,637	552,812	175	Capitalisation of building improvements as a result of the flood.
IC Equipment Flood Capital	255,800	0	255,800	230,731	231,047	316	Capitalisation of equipment purchases as a result of the flood.
IC All Risk Flood Capital	94,800	0	94,800	94,800	83,476	(11,324)	Capitalisation of items purchased under the all risk insurance policy as a result of the flood.
Grand Total	2,271,300	0	2,271,300	878,168	867,335	(10,833)	

EXCERPT FROM THE MINUTES OF THE EXECUTIVE HELD ON 13 FEBRUARY 2017

**EX.18/17 **CAPITAL BUDGET OVERVIEW AND MONITORING REPORT –
APRIL TO DECEMBER 2016
(Non 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 Finance, Governance and Resources

Relevant Overview and Scrutiny Panel Resources

Subject Matter

The Deputy Leader, and Finance, Governance and Resources Portfolio Holder submitted report RD.55/16 providing an overview of the budgetary position of the City Council's capital programme for the period April to December 2016. He outlined for Members the overall budget position of the various Directorates and the financing of the 2016/17 Capital Programme, details of which were set out in the report.

Paragraph 3.3 recorded that an initial review of the 2016/17 capital programme had been undertaken and the Executive was asked to recommend to Council the re-profiling of £1,164,300 from 2016/17 to 2017/18, further details of which were set out at Appendix A.

The unspent balance remaining of the revised annual budget of £10,803,600 was £6,339,496 as at December 2016.

The Executive was requested to release the balance of £72,672.13 from the Conservation Reserve to part fund the emergency work in relation to the Central Plaza as per OD.144/16, thus fulfilling the Council's legal obligations. It was proposed to provide the balance of funding from underspends on the 2016/17 Capital Programme and the Executive was formally asked to approve the virement of £47,300.

Members noted that the total expenditure for those works was now expected to be slightly in excess of the level currently approved.

The Deputy Leader further commented upon performance against the 2016/17 programme, reminding Members that the Senior Management Team would provide a 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 Corporate Programme Board chaired by the Chief Executive. Decisions to proceed or otherwise with proposed projects would be made in the usual way in accordance with the Council's decision making framework.

In summary, the Deputy Leader said 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 Deputy Leader, and Finance, Governance and Resources Portfolio Holder then moved the recommendations, which were seconded by the Leader.

Summary of options rejected None

DECISION

That the Executive:

- (i) Noted and had commented on the budgetary position and performance aspects of the capital programme for the period April to December 2016;
- (ii) Approved the release of the balance of £72,672.13 from the Conservation Reserve to fund emergency work in relation to the Central Plaza as per OD.144/16;
- (iii) Approved a virement of £47,300 to fund emergency work at the Central Plaza, thus fulfilling the Council's legal obligations, with the funding being provided from underspends within the 2016/17 Capital Programme;
- (iv) Made recommendations to Council to approve re-profiling of £1,164,300 as detailed in paragraph 3.3 and Appendix A from 2016/17 into 2017/18.

Reasons for Decision

To inform the Executive of the Council's actual financial position opposite its Capital Programme

Report to Council

Agenda
Item:

21

Meeting Date: 7th March 2017
Portfolio: Finance, Governance and Resources
Key Decision: No
Within Policy and Budget Framework YES
Public / Private Public

Title: PAY POLICY STATEMENT 2017/18
Report of: Chief Finance Officer
Report Number: RD.57/16

Purpose / Summary:

The Localism Act 2011 requires Authorities to produce and publish a pay policy statement for Chief Officers and to review the policy on an annual basis. The Council's Pay Policy Statement for 2017/18 is attached to this report for Members approval.

Recommendations:

The Council approves the 2017/18 Policy Statement on Chief Officers' Pay.

Tracking

Employment Panel:	1st February 2017
Overview and Scrutiny:	Not applicable
Council:	7th March 2017

Report to Employment Panel

Agenda
Item:

Meeting Date: 1st February 2017
Portfolio: Finance, Governance and Resources
Key Decision: No
Within Policy and Budget Framework YES
Public / Private Public

Title: PAY POLICY STATEMENT 2017/18
Report of: Chief Finance Officer
Report Number: RD52/16

Purpose / Summary:

The Localism Act 2011 requires Authorities to produce and publish a pay policy statement for Chief Officers and to review the policy on an annual basis. The Council's Pay Policy for 2017/18 is attached to this report for Members approval.

Recommendations:

The Employment Panel approves the 2017/18 Policy Statement on Chief Officers' Pay, for recommendation to Council on 7th March 2017.

Tracking

Employment Panel:	1st February 2017
Overview and Scrutiny:	Not applicable
Council:	7th March 2017

1. BACKGROUND

1.1 The Localism Act 2011 (Sections 38 to 43) introduced a requirement on all English and Welsh authorities to produce and review a pay policy statement for Chief Executives and Chief Officers for 2012/13 and for each subsequent financial year.

1.2 The pay policy must set out the council's policies in relation to:

- the remuneration of its chief officers;
- the remuneration of its lowest-paid employees, and
- the relationship between –
 - the remuneration of its chief officers, and
 - the remuneration of its employees who are not chief officers.

1.3 The definition of 'lowest paid employees' must be stated along with the reasoning behind adopting that definition. Policies in respect of chief officers must also be included relating to:

- the levels and elements of remuneration;
- remuneration on recruitment;
- increases and additions to remuneration;
- the use of performance related pay;
- the use of bonuses;
- the approach to any payments on their ceasing to hold office under or to be employed by council.

1.4 It is approved annually by full Council as recommended by the Employment Panel. Approval must be before the end of the 31 March immediately preceding the financial year to which it relates but may be amended during the year if need be, subject to Council approval.

2. PAY POLICY STATEMENT 2017/18

2.1 The definition of 'chief officers' includes the Chief Executive, Deputy Chief Executive and Corporate Directors. The Statement attached to this report, detailing the pay and associated benefits for Chief Officers, has been amended where necessary for 2017/18 which is now subject to the approval of full Council, as recommended by the Employment Panel.

2.2 The salary for all Chief Officers has been amended to reflect the review of service in October 2016 and the Chief Officers Pay Agreement 2016/18 announced in March

2016 equating to a 1% increase effective from 1st April 2016. Please note a further 1% increase will be due in April 2017.

3. CONSULTATION

3.1 None

4. CONCLUSION AND REASONS FOR RECOMMENDATIONS

4.1 The Employment Panel approves the 2017/18 Policy Statement on Chief Officers' Pay for recommendation to Council on 7th March 2017.

The Statement meets the requirements of the Localism Act. Under the Council's Constitution, the Employment Panel is responsible for recommending to Council matters relating to pay and employment conditions.

5. CONTRIBUTION TO THE CARLISLE PLAN PRIORITIES

5.1 The Policy Statement on Chief Officers Pay exists to provide Members and the general public with a transparent framework in which Chief Officers are paid and rewarded for their work and instil confidence in the public.

Contact Officer: Julie Kemp

Ext: 7081

Appendices **Appendix – Pay Policy Statement 2017/18 for Chief Officers attached to report:**

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

- None

CORPORATE IMPLICATIONS/RISKS:

Chief Executive's – Not applicable

Economic Development – Not applicable

Governance – S38 of the Localism Act 2011 requires that we must publish each year a pay policy statement setting out our policies relating to:

- The remuneration of Chief Officers
- The remuneration of our lowest paid officers

- The relationship between the remuneration of the Chief Officers and employees that are not Chief Officers.

The Policy must state our definition of 'lowest paid employees' together with our reasoning and it has to explain:

- CO levels on appointment/progression and increases and additions
- Performance related pay
- Bonuses
- Payment on ceasing to hold office

The Policy must be published in a manner deemed by the Council to be appropriate and this includes publication on the authority's website.

Local Environment – Not applicable

Resources – Not applicable

**CARLISLE
CITY COUNCIL**



www.carlisle.gov.uk

PAY POLICY STATEMENT 2017/18

FOR CHIEF OFFICERS

CARLISLE CITY COUNCIL

PAY POLICY STATEMENT FOR CHIEF OFFICERS

1 Introduction and Purpose

- 1.1 This pay policy statement sets out Carlisle City Council's approach to Chief Officers pay in accordance with the requirements of section 38 to 43 of the Localism Act 2011.
- 1.2 The purpose of this statement is to provide transparency with regard to the Council's approach to setting the pay of its employees by identifying:
- the methods by which salaries of all employees are determined;
 - the detail and level of remuneration of its most senior employees i.e. 'chief officers' as determined by relevant legislation;
 - the detail and level of remuneration of the lowest paid employees'
 - the relationship between the remuneration for highest and lowest paid employees;
 - the Panel responsible for ensuring that the provisions set out in this statement are applied consistently throughout the Council and recommending any amendments to full Council.
- 1.3 Once approved by the full Council, this policy will come into immediate effect for the 2017/18 financial year and will be subject to review again for 2018/19 in accordance with the relevant legislation prevailing at the time. Where amendments are required during the year, these will be subject to approval by full Council.

2 Aims and principles

- 2.1 Carlisle City Council's aim to offer a remuneration package which is fair and equitable, complies with all the relevant legislation, enables it to attract and retain quality staff that will achieve its strategic and operational objectives and is underpinned by the need to achieve value for money having regard to its financial restraints.

3 Definitions

The Council's Senior Employees are those which fall under the definition of 'chief officers' as contained within section 43 of the Localism Act 2011. The posts within Carlisle City Council that are classified as *Chief Officers* are the Chief Executive, Deputy Chief Executive and Corporate Directors.

Please note that the Chief Finance Officer is the statutory Chief Officer appointed to section 151 of the Local Government Act 1972 but not a 'Chief Officer' for the purpose of the City Council's internal staffing structure.

Lowest paid employees are those on grade A (£16,302) per year in April 2017 (subject to any pay award agreed for 2017/18)). The Council uses this definition as it is the nearest

equivalent to the old 'manual' grades which existed before job evaluation was used to determine pay and before Single Status was implemented. Jobs at this level are relatively straight forward, quick to learn and require limited pre-existing knowledge.

Employment Panel is a politically balanced (reflecting the balance of the different parties that make up the Council) group of Councillors who are responsible for recommending to Council pay and conditions for employees.

Multiplier is the ratio of pay between chief officers and other employees (at full time equivalent rates) i.e. the pay for the chief officer divided by that for the lower paid employees.

4 Pay Structure

- 4.1 The Pay Structure and pay related allowances for all employees below Chief Officer level (except apprentices and any employee on a "permitted work" scheme) is detailed in the document *Pay Policy and Arrangements* which was approved by Council initially in November 2009, following extensive consultation with staff, updated in December 2013 to implement the Living Wage increase with regular updates to reflect increases to the foundation living wage and national pay awards. The most recent updates took place in March and May 2016 to reflect the national pay awards of 1% per year to Chief Executives, Chief Officers and staff to cover years 2016-2018. It is a local pay and grading structure which uses some of the nationally negotiated pay spines configured into local pay grades. Nationally negotiated cost of living awards are applied to those spine points that form part of the local pay structure.
- 4.2 From time to time, it may be necessary to take account of the external pay levels in the labour market in order to attract and retain employees with particular experience, skills and capacity. The document *Pay Policy and Arrangements* details these.

5 Senior Management Remuneration

- 5.1 Terms of employment for chief officers in Carlisle City Council are derived from a number of sources:
- pay rates determined by Carlisle City Council;
 - cost of living awards as negotiated nationally between the Local Government Employers Organisation and the recognised trade unions and applied to existing pay grades;
 - nationally negotiated terms and conditions of employment for Chief Officers and Chief Executives as appropriate;
 - policies determined and approved locally by Carlisle City Council.

6 Responsibility for determining pay and allowances

- 6.1 The Employment Panel is responsible for proposing the pay and grading structure to Council.

- 6.2 In the case of senior officers' pay, the Employment Panel seek advice from a suitably experienced external organisation such as North West Employers Organisation (NWEO) to inform their recommendations.
- 6.3 Pay rates (including car allowances) for the Town Clerk and Chief Executive are reviewed each time the job is vacant, and may be reviewed between these periods on a decision by the Chair of the Employment Panel following a request from the post holder. A review can result in the pay remaining the same, an increase or a decrease. Market rates for District Councils form the basis of any review. The pay rate is a single pay point, within a three point salary band, and determined on appointment by the Employment Panel and is based on experience of the successful candidate.
- 6.4 In the case of the other Chief Officer posts, these are reviewed when organisational structural changes take place and use the Local Authority Senior Staff job evaluation scheme to determine the rank order, and market rates for a District Council to set the pay grade. The pay grades consist of three pay points. These pay points were reviewed in October 2016 with increases made to reflect the market and changes to Senior Management Structures.
- 6.5 Table 1, paragraph 10, gives current pay rates.

7 Elements of the remuneration package for senior officers

- 7.1 This is made up of
- actual pay as determined by the Council
 - car allowance of 9.09% of salary or participation in the Chief Executive or Chief Officer Car Lease Scheme to the same value
- 7.2 Pay for the Town Clerk and Chief Executive consists of three pay point within a salary band plus car allowance as detailed above. This rate includes returning officer duties for elections relating to Carlisle City Council. Fees for election duties for other elections (County Council, national and European elections) are paid as an additional sum at the rate prescribed by government as and when each election occurs. The pay point may be reviewed on a decision by the Chair of the Employment Panel, following a request from the post holder.
- 7.3 Pay for the Deputy Chief Executive and Corporate Directors consists of three point scales and, subject to satisfactory performance, the officer progresses through the grade on an annual basis until the top of the grade is reached, in line with national conditions. A car allowance, as detailed above is also paid.
- 7.4 No bonuses, profit related pay or other allowances are paid as part of the regular pay. Honoraria for undertaking additional duties are only paid if the additional duties are significant.
- 7.5 The designation of the Monitoring Officer currently sits with the Corporate Director of Governance and Regulatory Services. The Monitoring Officer is paid on the normal salary for

a Chief Officer.

- 7.6 The designation of the Section 151 Officer currently sits with the Chief Finance Officer. The S151 Officer is paid on the normal salary for a grade M employee with an additional 12% in recognition of additional duties incurred following the SMT review in October 2016 and their particular statutory responsibilities.

8 Chief Executive and Chief Officers' Recruitment

- 8.1 Details of the appointment process for Chief Officers and Chief Executive are set out in the Council's constitution. Recruitment is the responsibility of the Employment Panel to recommend the successful candidate to full Council for approval.
- 8.2 In the case of the Chief Executive, the Employment Panel determines the salary and takes into account the experience of the successful candidate.
- 8.3 In the case of the Deputy Chief Executive and Corporate Directors, starting salary is normally the bottom point of their grade unless there are good reasons to pay at a higher point in the scale to secure the best candidate. Such a decision is made by the Employment Panel.
- 8.4 Return of Chief Officers or Chief Executive to local government after redundancy or early release. The same principle applies to all recruitment and any appointment is made on merit, regardless of whether the candidate has been made redundant or given early release in former employment. The provisions of the Redundancy Payments Modification Order would be applied in that if return to local government occurred within a month of redundancy, the redundancy payment would be forfeited. Cumbria County Council, as the administering body for the pension scheme operated by Carlisle City Council, implements 'abatement' which means that if pension plus earnings in the new job is greater than earnings prior to leaving the pension is reduced accordingly.

The Government has concluded its consultation on the repayment of Public Sector exit payments and further legislation regarding such payments is expected to be implemented in 2017. The Council will amend policies and processes as required to adhere to changes made.

- 8.5 Interim Support. Where the Council has need for interim support to cover work at Chief Officer or Chief Executive level, the Council will endeavor to identify, as a priority, internal candidates to provide appropriate interim support. Where there is no-one suitable within the Council, it will make use of agencies to recommend suitable candidates from which to select the most suitable. Selection will be in line with the appointment process for senior officers unless support is required too quickly to make this possible, when it will be reported to Council at the earliest opportunity. The services of the successful interim will be engaged by either:
- On an agency basis where the person is employed by the agency *or*
 - On a self employed basis where the person meets the HMRC definition of 'self employed' *or*
 - Direct employment by the Council on a temporary contract.

Pay for temporary interim support will be at the required rate to secure a suitable candidate bearing in mind the temporary nature of the work, value for money, salaries within the Council and budgetary considerations.

At the date of this policy Statement, the Council has no temporary or interim support at Chief Officer level.

9 Other aspects of remuneration

- 9.1 Termination Payments – the Council's policy on termination payments in the event of redundancy or early release in the interests of the service (ERS) apply to all employees, irrespective of level in the organisation. Full details are given in the document *Redundancy and Early Release Schemes Policy, Guidance Notes and Procedures*

In summary, the discretionary redundancy payments are 2.5 times the statutory redundancy payment but based on actual weeks pay, with the option to convert the sum above the statutory redundancy payment to additional pension. Compensatory payments are not normally paid in the cases of early retirement in the interests of efficiency unless there is a strong business case for doing so in a particular situation. Where payments are made, these are equivalent to 1.5 times the statutory redundancy payment that would have applied had the officer been made redundant with the option to convert this to additional pension.

Dismissal of the Chief Executive and Chief Officers (including redundancy and early release) are made by Council on the recommendation of the Employment Panel. This will also include that of the Chief Finance Officer due to the inclusion of the Section 151 role.

The Government has concluded its consultation on the financial caps to exit payments of Public Sector employees and further legislation regarding such payments is expected to be implemented in 2017. The Council will amend policies and processes as required to adhere to changes made.

- 9.2 Flexible Retirement. The policy on flexible retirement applies to all employees alike and details are covered in the document *Flexible Retirement Policy Guidance Notes and Procedures*. In summary, flexible retirement (with pension) is agreed if it is supported by a business case. Hours must be reduced by a minimum of 20% and/or move to an alternative post of at least one grade reduction. Earnings plus pension after flexible retirement must not be more than earnings before it.
- 9.3 Pension. Where employees exercise their statutory right to become members of the Local Government Pension Scheme, the Council is required to make a contribution to the scheme representing a percentage of the pensionable remuneration due to that employee. The contribution rate is set by Actuaries advising Cumbria County Council Pension fund and reviewed on a triennial basis in order to ensure that the scheme is appropriately funded. The current rate is 13.6%, but the provisional results of the 2016

triennial revaluation of the pension fund indicates an increase in contribution rates to 15.6% effective from 1st April 2017. The employee contribution rates are defined by statute and relate to the salary level of that employee.

Carlisle City Council applies the discretions given to them as an employer under the Local Government Pensions Regulations to all employees on the same basis.

10 Senior Officers pay and its relation to that of other employees

10.1 All aspects of other employees' pay and related benefits are detailed in the document *Pay Policy and Arrangements*.

10.2 Table one, below, shows details of senior officer's current pay and the relationship to other staff's pay. The salary for the Chief Executive, Deputy Chief Executive and the other Chief Officers has been amended to reflect the Chief Executive/Chief Officers' Pay Agreement announced in May 2016 which equated to a 1% increase effective from April 2016 and the additional changes to reflect the market and structure changes made in October 2016.

TABLE 1: Senior Officers' pay and its relationship with others

Position	£ Pay per year	Car Allowance	£ Total pay + car allowance per year	Ratio to median pay (note 1)	Ratio to lowest paid staff (note 2)
Town Clerk & Chief Executive	3 points in the range: - 99,555 - 101,550 - 105,507	9.09% of salary	-108,605 - 110,781 - 115,098	- 5.0:1 - 5.1:1 - 5.3:1	- 6.7:1 - 6.8:1 - 7.1:1
Deputy Chief Executive	3 points in the range: - 76,797 - 80,637 - 84,477	9.09% of salary	- 83,778 - 87,967 - 92,156	- 3.9:1 - 4.0:1 - 4.2:1	- 5.1:1 - 5.4:1 - 5.7:1
Corporate Directors	3 points in the range: - 62,200 - 65,457 - 68,714	9.09% of salary	- 67,854 - 71,407 - 74,960	- 3.1:1 - 3.3:1 - 3.4:1	- 4.2:1 - 4.4:1 - 4.6:1

Note 1 - £21,745 per year for a full time employee

Note 2 - Grade A staff – £16,302 per year for a full time employee.

The ratio between the Chief Executive pay and other Corporate Directors (at the top of the grade) is as follows:

Deputy Chief Executive	1.25:1
Corporate Directors	1.54:1

- 10.3 Carlisle City Council aims to keep the multipliers for median pay and lowest paid staff approximately the same in future years.

EXCERPT FROM THE MINUTES OF THE EMPLOYMENT PANEL HELD ON 1 FEBRUARY 2017

EMP.05/17 PAY POLICY STATEMENT 2017/18

The Legal Services Manager advised that although the Chief Finance Officer was a Statutory Chief Officer the role was specified in the Constitution not to be a chief officer for the purposes of the internal staffing structure. The Chief Finance Officer could, therefore, remain to present the report.

The Chief Finance Officer presented report RD.52/16 which contained the Pay Policy Statement 2017/18 for Chief Officers.

The Chief Finance Officer reported that the Localism Act 2011 required all English and Welsh Authorities to produce and review a pay policy statement for the Chief Executive and Chief Officers for 2012/13 and for each subsequent financial year.

The Statement attached to the report detailed the pay and associated benefits for Chief Officers and had been amended where necessary for 2017/18 and was subject to the approval of full Council. The salary for all Chief Officers had been amended to reflect the review of service in October 2016 and the Chief Officers Pay Agreement 2016/18 announced in March 2016.

Officers clarified for Members how the authority evaluated the Chief Officer roles, the robustness of the Chief Officer job descriptions and some of the legislation that determined the wording within the Policy Statement. Officers also outlined how members of the public could access the Policy Statement.

The Panel discussed the Statement and asked that section 8.5 of the Statement be amended to emphasise that the Council would initially seek to identify an internal candidate to cover work at Chief Officer or Chief Executive level on an interim basis.

RESOLVED – That the 2017/18 Policy Statement on Chief Officers' Pay, with an amendment to Section 8.5 as detailed above, be recommended to Council for approval.

Report to Council

Agenda
Item:

22

Meeting Date: 7 March 2017
Portfolio: Cross Cutting
Key Decision: Not Applicable
Within Policy and Budget Framework: Not Applicable
Public / Private: Public

Title: OPERATION OF THE PROVISIONS RELATING TO CALL-IN AND URGENCY
Report of: Corporate Director of Governance and Regulatory Services
Report Number: GD.13/17

Purpose / Summary:

To report on the operation of call-in and urgency since the previous report to Council on 7 February 2017.

Recommendations:

That the position be noted.

Tracking

Executive:	N/A
Overview and Scrutiny:	N/A
Council:	7 March 2017

1. BACKGROUND

This report has been prepared in accordance with Rule 15(i) of the Overview and Scrutiny Procedure Rules which deals with the procedure in respect of occasions where decisions taken by the Executive are urgent, and where the call-in procedure should not apply. In such instances the Chairman of the Council (i.e. the Mayor) or in his absence the Deputy Chairman of the Council must agree that the decision proposed is reasonable in the circumstances and should be treated as a matter of urgency.

The record of the decision and the Decision Notice need to state that the decision is urgent and not subject to call-in. Decisions, which have been taken under the urgency provisions, must be reported to the next available meeting of the Council together with the reasons for urgency.

2. OPERATION OF THE PROVISIONS RELATING TO CALL IN AND URGENCY

The Executive, at their meeting on 13 February 2017, considered the following reports which were referred to Council. These items are to be considered by the Council on 7 March 2017. If a call-in were to be received on any of the items, the call-in procedure would overlap the City Council meeting.

All Members will have received copies of the reports and minutes with the Summons for the Council meeting and will have the opportunity to consider the items at the Council meeting on 7 March 2017.

(a) Revenue Budget Overview and Monitoring Report: April to December 2016

(b) Capital Budget Overview and Monitoring Report: April to December 2016

The above matters were submitted to and considered by the Resources Overview and Scrutiny Panel on 23 February 2017.

(c) Economic Development Technical Support Review

It was considered that any delay caused by a call-in would prejudice the Council's interests in delaying approval of the matters. The Mayor has therefore agreed that the above decisions are urgent and, for the reasons set out above, that the call-in process should not be applied to the decisions.

3. CONCLUSION AND REASONS FOR RECOMMENDATIONS

3.1 That the position be noted.

Contact Officer: Morag Durham

Ext: 7036

**Appendices
attached to report:** None

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

- None

CORPORATE IMPLICATIONS/RISKS:

Chief Executive's – N/A

Community Services – N/A

Corporate Support and Resources – N/A

Economic Development – N/A

Governance and Regulatory Services – Report is by the Corporate Director of Governance and Regulatory Services and legal comments are included

